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ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2114

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ACTIVITIES OF ENTERPRISING PRIVATE BUSINESSMEN CRITICIZED

Sofia TRUD in Bulgarian 26 Feb 81 p 2

[Article by Vera Tancheva: "What Kind of Trade Should We Call It?"]

[Text] There are differentiations and requirements in the decrees on different types of trade which private citizens are allowed to conduct. In practice, however, the story is different. The boundary is "diluted", the "demarcation zone" disappears and what evolves is something like a conglomerate.

What kind of trade should we call it, on commission, ambulatory or a sideline. Or many-sided, mixed, dubious. It depends on the case. And on the personal profit. That is how many people interpret the decrees on trade and crafts activities by private citizens.

Gross violations are tolerated along with many good initiatives, honest intentions and ambitions to expand and diversify consumer goods production and improve trade services as well. There are people who, legally or illegally, are engaged in private businesses and search for ways to get around the lawfully erected barrier. There are also state enterprises that are involved in shady activities and serve as fronts in illegal deals with private citizens.

And what is the result in practice? Matrices rattle and homemade or discarded machines huff and puff in basements, attics and sheds. Self-styled "alchemists" moonlight by creating plastic and metal passementerie, "scarce" commodities of dubious quality, an abundance of trinkets, oversupplies.

Production of plastic clothes pins has undoubtedly increased 100-fold and supplies will last until the year 2000. We could meet the demand for martenitsi [red and white spring ornaments] of at least five or six more countries but the custom exists in our country only and the foreign markets do not need this national souvenir. There are many other examples.

Many laws are also violated when providing raw and other materials for production of numerous unnecessary, unaesthetic and useless goods, and in great quantities at that. So-called surpluses are bought out from state enterprises by different methods and channels. These surpluses are not a product of frugality and economies but in most cases of unreal, jacked-up expense norms. Enterprising businessmen make fortunes with such "surpluses", by finding convenient methods for carrying through "large-scale" schemes and ideas for big "hits".

And they sure find such methods. State enterprises and organizations, agroindustrial complexes, okrug cooperative unions, labor-producers cooperatives and most frequently rayon consumers cooperatives usually serve as a front for protection from the law. Instead of doing their work and taking care of their direct obligations, some of them enter into fictitious contracts with forged documents and consciously or not become coconspirators in many violations.

A power-of-attorney document, bearing the seal of an RPK [Rayon Consumers Cooperative] and the signatures of the president and chief accountant, is more valuable than a magic wand. It opens all doors in the entire country to skillful and experienced managers, tried and already convicted for illegal deals. Its content is brief and clear: "The RPK of the village of ... gives power-of-attorney to ... to receive orders and sell ready-made products in the entire country on behalf of the cooperative." What a wide opportunity! Contracts are signed, raw materials are obtained, products are sold, all on behalf of the RPK. The profit, however, does not go into the treasury of the cooperative. The cooperative at most accounts for overfulfillment of the plan in order to receive some premiums. Well, something "under-the-table" is given to the authors of the power-of-attorney document, but the bulk sum remains for the empowered one.

Here and there we run into some ambitious private businessmen hiding behind transparent protective "armors".

In Sliven Okrug 40 persons had made a verbal contract on behalf of an RPK to produce and sell different types of bristle brushes. The brushes, however, had never "entered" the cooperative storehouse but instead marketing manipulators swarmed the entire country. The RPK accounting report had no entry of brushes but of animals sold for about 60,000 leva. It came out that the "hair" was sold together with the live animal weight.

Gosho Marinov, called Giyona, had also profited from similar preferential treatment by the RPK at the village of Vrushka Chuka and had organized in the capital an entire brigade for production of different types of goods. He had "legalized" his work by invoices stamped by the same cooperative in his native Vidin district and was running a large-scale business. He was invoicing the goods on behalf of the cooperative and was selling them to so-called legitimate private businessmen at marked-up prices, pocketing the profits.

A big stage enterprise for consumer goods production would have envied Master Ivan Tikhov Radoev of Sofia, who had been offering to this clients about 1,200 different types of goods. And the entire production had been "fostered" by raw and other materials bought second-hand from state enterprises. The confiscated production, worth 74,000 leva, is still in storage and nobody wants it. The skillful manipulator, tried and convicted many times before for illegal trade, had shown "carelessness" by delivering some of the goods to a state store in Pleven. For this crime he was convicted to 2 years and 8 months imprisonment following Article 228 of the NK [Penal Code]. Master Ivan Tikhov might have got out of it with only a "200-leva fine" were it not for these aggravating circumstances. There are people of the "economic risk" willing to pay ten times a 200-leva fine if they could make 20,000 leva the fast way and improve their financial status and that of their kin.

The controlling functions concerning violations of the decrees on both ambulatory and commission trade and sideline business are entrusted to 5 or 6 high-level authorities but mainly to the obshtina and rayon people's councils. We wonder whether there is any control and how effective it is, or whether it is only on paper, since such unthinkable violations are allowed to thrive as socially dangerous phenomena. The RPK has already become notorious for its power-of-attorney documents issued to private citizens for all types of trade and middleman work. Is anybody keeping score from what source, how much, and what kind of raw materials, needed somewhere else, are squandered for batch production of trinkets and paste jewelry, of unsold goods? Is anybody keeping score also of the diagnosis of this dangerous disease?

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GOAL-ORIENTED METAL RATIONALIZATION PROGRAM VIEWED

Prague HOSPODARSKE NOVINY in Czech 16 Jan 81 pp 8-9

[Text] The awareness of scarcity of all types of energy has penetrated into the subconscious mind of society so that hardly anybody would approve of wasting power or heat. But economical use of metal resources was somehow left out, even though it deserves the same careful attention. A change in the metal supply situation has become apparent--albeit less drastically than in the case of the energy calamity in the spring of 1979--as early as during the winter of 1979 and it is unlikely that the days of ample metal supplies will return anytime soon. When the plan calls for increasing engineering production by 6 percent annually, resolute measures must be taken to insure that raw materials will be available to make this increase possible. But the metal supply situation is likely to become even tighter, calling for the production of more engineering goods from a smaller quantity of metals. And this objective must be pursued not only by pricing, but it must become the aim of planners and designers, inventors and rationalizers, of VHJ managements, enterprises and also of CSVTS [Czechoslovak Scientific and Technological Society] and SSM [Union of Socialist Youth] (see Zenit and Reflektor) organizations.

The State Metal Management Rationalization Commission of the Federal Ministry of Metallurgy and Heavy Engineering [FMHTS] has prepared a state program proposal--the Metal Consumption Rationalization Program for the Seventh Five-Year Plan-03--which the Federal Government approved on 6 November of last year and the CPCZ Central Committee on 13 November. It calls for the potential mandatory annual reduction of the specific consumption of ferrous metals by 4 to 5 percent during the Seventh Five-Year Plan. This goal is to be achieved partly by structural changes, changes in the assortment of products and also by radical changes in the composition of the various metals used--all that without the necessity of large-scale investments in new technologies, if for no other reason than because the time needed to implement and start up large-scale capital projects takes much longer than 5 years. But the possibility of procuring supplies of metals needed for production increases will be further reduced. Therefore, by far the greatest potential of achieving economies must be found in the planning and design area; in the various measures enumerated in the program which are designed to achieve economies in the consumption of metals 35 concern the area of planning and design and the saving to be achieved already this year is expected to amount to 23,786.7 tons and in the Seventh Five-Year Plan 170,000 tons of ferrous metals.

Target Indicators for Reducing Metal Requirements by Ministries (in tons)

	Ferrous metals		Nonferrous metals	
Ministry	1981	Seventh Five-Year Plan min.-max.	1981	Seventh Five-Year Plan min.-max.
Federal Ministry of Metallurgical and Heavy Engineering	174,200	925,000-1,024,000	3,280	16,300-18,700
of this:				
Metallurgical VHJ (economic production unit)	96,000	475,000- 490,000	1,350	9,200-11,000
Engineering VHJ	78,200	450,000- 534,000	1,930	7,100- 7,700
Federal Ministry of General Engineering	78,700	525,000- 677,000	2,750	15,500-15,600
Federal Ministry of Electrical Industry	7,000	85,000- 86,000	1,630	8,800-13,000
Engineering and electrical industry total	163,900	1,040,000-1,297,000	6,310	31,400-36,300
Ministry of Building CSR	10,000	55,000- 70,000	100	500
Ministry of Building SSR	6,700	32,100- 41,500	100	500
Building construction total	16,700	87,100- 111,500	200	1,000
Federal Ministry of Transportation	20,900	107,600	20	100
FMPE	15,000	75,000	80	400
Ministry of Industry CSR	3,000	15,000	150	700
Ministry of Industry SSR	700	3,500	40	200
CSR Ministry of Agriculture and Food	4,000	20,000	89	420
SSR Ministry of Agriculture and Food	600	3,000	1	5
CSR Ministry of Interior	430	2,150	15	75
SSR Ministry of Interior	60	300	--	--
CSR Ministry of Forestry and Water Management	100	500	--	--
SSR Ministry of Forestry and Water Management	50	250	--	--
CSR Kraj National Committee and Prague National Committee	4,136	20,480- 22,550	80	400
SSR Kraj National Committee and Bratislava National Committee	3,054	15,120- 16,650	20	100
Total for ministries including the Kraj National Committee	328,630	1,865,000-2,165,000	8,355	44,000-50,700
Scrap exploitation	164,000	970,000	4,000	20,000
Program-03 total	522,630	2,835,000-3,135,000	12,355	60,000-70,700

Additional savings are expected to accrue from measures taken in repair shops and maintenance: this year 20,939 tons and 108,000 tons over the entire five-year plan.

Higher quality and the finishing of metallurgical products, redesigning of engineering consumer products to achieve economy and the introduction of new research and development findings alone is expected to yield in 1985 relative savings of 770 to 960 kilotons. Advanced production technologies such as forming (and shaping generally) are expected to yield savings of 150 to 200 kilotons. Replacing metals with plastics is expected to yield a saving of 120 to 137 kilotons.

Engineers alone cannot be left the entire responsibility for achieving savings in metal consumption. By 1985 the construction industry, for example, will have to do with 87 to 111 kilotons of steel less, with a simultaneous 4 to 5 percent annual increase in construction output. This holds true also of everybody who is unhappy with the inadequate collection of all useless metal objects which can be recycled. In addition to crude iron derived from iron ore, at least an additional 570 kilograms of scrap will be required to produce a ton of steel. Increase in the nationwide scrap turnover will play an important role. In the beginning of 1980 we possessed metal resources amounting to 99.93 megatons. During 1980 the metal resources increased by 3.64 megatons, in 1985 the increase is expected to rise further to 4.22 megatons, but in the Eighth Five-Year Plan the increases will decline.

Key stipulations, in edited form, of the draft document called the State Goal-Oriented Program-03 approved by the CSSR Government as resolution No 347 dated 10 July are presented.

This program specifies the desirable savings expected to be achieved by respective ministries in accord with Guidelines for the Implementation of Goal-Oriented State Programs for the Seventh Five-Year Plan issued by the CSSR Government Resolution No 246 on the Evaluation of Projects of State Goal-Oriented Programs dated 10 July 1980. By its scope and aim the resolution affects practically all key spheres and areas of potential rationalization activities in metal management. It incorporates the respective implementation decisions into the Seventh Five-Year Plan draft as its integral part. In this context the program also sets down the quantitative goal-oriented indicators for saving metals and reducing metal losses which are to be achieved in 1985 in comparison with 1980 and for orientation purposes also with 1990.

The setting of target limits for saving and reducing losses of metals is based on a series of analytical studies and documents which demonstrate the high metal requirements of our economy. It starts from the assumption and calculations of the State Planning Commission and the Federal Ministry of Metallurgy and Heavy Engineering which consider the current and prospective potential of meeting planned metal requirements in the Seventh Five-Year Plan in conjunction with the overall balance of metal resources of our country.

The range of targeted requirements for saving metals by 1985 over 1980 sets the minimum and maximum limit. It is based primarily on:

--the availability of metals to insure the implementation of projects planned till 1985;

--the necessity to explore additional possibilities of fulfilling specific projects of the implementation plan for which the supply of metals is not yet assured;

--the uncertainty of production programs of certain VHJ's and enterprises;

--the existing prospects to insure the implementation of some projects or measures which the program mentions as only tentative.

These realities meet the requirement and necessity of conceiving this program as open-ended.

The Development of Metal Resources

Assessing the availability of metal resources in the 1980 to 1990 period is predicated on the assumption that increasing difficulties in procuring iron ore and some types of energy will accelerate the retirement of means of production (liquidation scrap) and consumer goods and increase the collection of scrap.

This also calls for accelerating metal turnover which in 1980 in our country was 26 years, as against 18 to 12 years in advanced industrial countries. By 1985 metal turnover should be shortened to 25 to 24 years. On this assumption the quantity of available liquidation steel scrap should increase from last year's 1.99 million tons to 3.28 million tons, and in the overall structure of available scrap its proportion should increase from 25.8 percent in 1980 to 30 percent in 1985 and to 35 percent in 1990.

Projections of CSSR metal resources further indicate an increase from 3.64 million tons in 1980 to 4.22 million tons in 1985. However, in the Eighth Five-Year Plan the trend will decline and will naturally continue in this direction even faster after 1990.

Summary of Metal Resources in the CSSR (in megatons)

	1980	1985
Metal resources at start of year	99.93	118.10
Decrease of metal resources		
Corrosion and wear	0.90	1.06
Nonrecoverable scrap and incomplete collection	0.58	0.73
Total decrease	1.48	1.79

[Continued on following page]

	1980	1985
Crude steel and iron production		
Crude steel production	16.06*	17.10*
Crude iron consumption	10.88	11.32
Crude iron production	9.88	10.32
Iron import from the USSR	1.00	1.00
Increase of metal resources		
Crude iron production from oxides including crude iron imports from the USSR (new metal)	10.59	11.02
--foreign balance of metallurgical and engineering products	3.72**	3.18**
--nonrecoverable losses of metallurgical and engineering production	1.75	1.83
--decrease of metal resources	1.48	1.79
Total contribution of new metal	6.95	6.80
Net gain of metal resources	3.64	4.22
Metal resources at year's end	103.51	122.32
Scrap		
Cast iron and steel liquidation scrap	2.33	2.91
Of this steel scrap only	1.99	2.57
Steel production scrap	4.15	4.25
Steel processing scrap	1.56	1.75
Total steel scrap	7.70	8.57

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*The FMHTS Seventh Five-Year Plan steel production target is 16.93 megatons. But this does not change the order of magnitude of the projection based on the above metal resources balance.

**Current FMHTS projection reflecting weight reduction of machinery with concurrent increase in price per kilogram.

Basic Objectives

The State Goal-Oriented Metal Consumption Rationalization Program for the Seventh Five-Year Plan aims at:

--Minimizing the increase of crude steel production by reducing the specific consumption of ferrous metals in key sectors of the national economy. Production is estimated to reach 16.93 megatons in 1985, with a forecast of 17.4 megatons for 1990;

--Replacing an equivalent quantity of iron ore used in the production of crude steel iron stock by exploiting domestic metal resources especially by increased collection of scrap and reduction of the amount of scrap in production; foregoing the need to increase the annual production of crude steel iron beyond 12 megatons after 1990 by using a minimum of 570 kilograms scrap in the production of 1 ton of steel;

--Limiting to a maximum extent the import of basic nonferrous metals and meeting the set limit of a 1 percent annual import increase from nonsocialist countries.

By aiming at these objectives the program attempts to achieve in 1985 the following quantitative target indicators for the saving of metal resources over 1980:

In materials made from ferrous metals:

--Achieving a saving of 475 to 490 kilotons by improved utilization of metals in technological processes in the metallurgical production cycle and in the processing of metals to metallurgical products;

--Achieving savings of from 1,390 to 1,675 kilotons by reducing specific metal consumption in the production of consumer goods;

--Increasing the exploitation of domestic metal scrap resources by 970 kilotons especially from all stages of consumer goods production.

The prerequisites for reducing specific consumption of metals in the consumer goods sphere are:

In the engineering and electrical engineering industry reduction of specific consumption to achieve a relative saving of 1,040 to 1,297 kilotons over 1980 representing an average annual reduction of the specific consumption of ferrous metals in the Seventh Five-Year Plan by 4 to 5 percent, with a concurrent 6 percent average annual increase of the volume of engineering production. This reduction of specific consumption is to be achieved primarily by:

--Raising the quality and improving the finishing of metallurgical products to reduce the size of parts, making changes in the design of engineering products and innovating them completely to accelerate improvement of efficiency of engineering production by the introduction of new research and developmental findings (innovation programs). In this way a relative saving of 770 to 960 kilotons must be achieved in 1985.

--Applying advanced production technologies by implementing measures of the long-term rationalization and modernization program of the production base which is expected to yield by 1985 a relative production saving of 150 to 200 kilotons.

--Replacing metals with plastics. Using plastics in the production of replacement components and parts is expected to yield in 1985 a relative annual saving of 120 to 137 kilotons.

In the building construction industry at the end of the five-year plan the relative saving is expected to reach 87.1 to 111.5 kilotons over 1980, representing an average annual drop of 1.3 to 1.5 percent of the standard consumption of steel in the Seventh Five-Year Plan with a concurrent 4 to 5 percent annual increase in the volume of construction output. This reduction of standard consumption aims primarily at achieving savings by improving the quality of metallurgical products, implementing the tasks assigned by the State Technical Development Plan and achieving economy in building construction.

The remaining sectors of the national economy will have to achieve in 1985 relative savings of 227.3 kilotons in enterprises, plants and organizations managed by the KNV and NV of the Capital City of Prague, and 35.6 to 39.2 kilotons in Bratislava. The reduction of the standard consumption of metals in the consumer goods sphere and the achievement of the respective savings must be accomplished by raising the technical standard, quality and finishing of metallurgical products, the introduction of a new assortment of economic products, and the production of steel grades with guaranteed mechanical properties etc. which will yield a saving of 230 kilotons in 1985 over 1980.

In products made from nonferrous metals the State Goal-Oriented Program aims at reducing the consumption of basic nonferrous metals by the national economy in 1985, specifically of zinc, tin, lead, nickel, copper and aluminum calculated as technically pure metals to levels not exceeding (in kilotons): Zn 67.4; Sn 4.1; Pb 66.0; Ni 15.3; Cu 114.7; Al 224.4 by a total of 491.9 kilotons.

Compared to 1980, by 1985 the introduction of new types of alloys and semiproducts together with the application of advanced technologies in metallurgical production is expected to improve the useful properties of metal semiproducts and their alloys yielding a relative saving of nonferrous metals of 9.2 to 11.0 kilotons.

In the processing sphere product innovation will reduce specific consumption of nonferrous metals, yielding in the last year of the five-year plan a relative saving of between 34.8 and 39.7 kilotons.

Recycling all types of waste metal, exploiting all usable domestic resources and reducing losses will raise the production of nonferrous metals in 1985 by about 20 kilotons over 1980.

Why an Open-Ended Program?

The program stipulates the adoption of specific actions. They number 139 in addition to 35 tentative actions which need to be better defined and specified. Of all these 39 will be applied in metallurgical production, 83 in the sectors using metals (of these 35 in the machine and installation design and building sector, 29 in the engineering production sector and 12 in the metal application areas of other than engineering manufactures and branches of the national economy), 2 in the machine repair, maintenance and parts overhaul sector, and 15 in areas of a systemic, economic and organizational nature. Implementing these actions will insure in most cases the achievement of all targeted and desirable objectives which, however, are very difficult to quantify globally because of their comprehensive nature.

The implementation of these measures will depend primarily on the initiative and effort of the respective central organs. In many respects the Set of Measures for Improving the Planned Management System of the National Economy after 1980 paves the way for the broadening, intensification and implementation of these and other actions. In accord with the Set of Measures the program is predicated on coordination with the development of the normative base, the consistent introduction of technical and economic consumption standards and indicators and their application in the metal consumption planning process.

The FMHTS will carry out 85 actions, the FMVS 25 actions, the FMEP 13 actions, etc. Implementation of most of them (56) will begin this year and should be completed by 1985 (60 actions).

The program also stipulates the means for their implementation. A great effort was made to meet the requirements of the SPK methodology for the preparation of state goal-oriented programs with regard to indicators to be used. But the comprehensive nature of the State Goal-Oriented Program-03 made it necessary to modify certain summary indicators and partially change their arrangement. These changes, deemed appropriate to meet the scope of the program, do not conflict with the requirements of the SPK methodology. An effort is expected to develop gradually to find additional resources and means to implement the actions not yet provided for in the plan. This applies in equal measure also to tentative actions which will have to be defined more precisely by norms and appropriate indicators. The way is left open to include in the program new appropriate specific actions or measures, primarily those advanced by research and development which have a direct bearing on the results.

The envisioned savings are expected to be accomplished by specific actions mandated by the plan by about 60 to 70 percent (the proportion of savings of specific actions provided for in the plan of the overall savings achieved by specific actions called for in the program) and are expected to be fulfilled in 1981 by 86.1 percent for ferrous metals, and by 85.7 percent for nonferrous metals and over the entire five-year plan by 83.1 percent for ferrous and by 33.8 percent for nonferrous metals.

In addition to achieving savings of metals, the implementation of the proposed specific actions will bring additional benefits as a result of the more efficient use of metals and the reduction of losses. In spite of their importance these actions will have only a partial (individual) and variable effect which is why their overall impact is hard to assess.

The fuel and energy savings indicated are an exception. The savings are actual savings, not savings resulting from the conversion of the quantity of metal saved.

In 1981 these savings represent a total of 414.5 TJ [10^{12}] and over the Seventh Five-Year Plan 10,909.32 TJ.

The actual savings of metals shown, their more economic utilization and the reduction of losses are predicated on the availability of capital investments needed to implement the specific actions. In the Seventh Five-Year Plan the capital expenditures required to implement the specific actions amount to Kcs 65 billion, of which so far Kcs 4 billion, or about 60 percent, are mandated by the plan.

The capital means required include also investments needed to implement some specific projects which are also included in the State Goal-Oriented Fuel and Energy Consumption Rationalization Program-02 such as the construction of the oxygen conversion steel mill at the Trinec Iron Works, continuous casting of steel at the East Slovakia Iron Works and the Sverma Iron Works and the concentration of the production of connecting parts and the modernization of the production of crankshafts [illegible] the FMVS [Federal Ministry of General Engineering]. Without these expenditures the capital means required for SCPO-3 actions (in million Kcs) are in

1981	1982	1983	1984	1985	1981-1985
746.2	939.4	1739.0	1598.0	1554.2	6576.8

In addition, the implementation of the program is also predicated on the fulfillment of the other parts of the plan (availability of supplies, manpower, power, technical development etc.). Depending on their nature these requirements specifically affect individual actions. They are not unrealistic and can be met and are said to be, in most cases, secured by the plan.

Also, no assessment is as yet available of the potential savings of metals accruing from all innovations now being implemented in compliance with the plan for technical development, primarily in the metallurgical, engineering and electrical engineering sectors.

The evaluation of the set of innovatory projects prepared by the FMTIR [Federal Ministry of Investment and Technological Development] indicates that the relative savings of metals accruing from all innovations which will be implemented in the Seventh Five-Year Plan may amount to an annual average of about 225 kilotons of ferrous metals and about 18 kilotons of nonferrous metals. The implementation of supplemental innovations in the Eighth Five-Year Plan should yield in 1990 relative annual savings of about 633 kilotons of ferrous and about 33 kilotons of nonferrous metals compared to 1980.

No decision has yet been made on individual innovation projects and the approach to their solution and implementation in the technical development plans. In preparing the technical development plan for the Seventh Five-Year Plan some new innovation projects are being considered and at the same time adjustments are being made in the plan to take into account the expected savings of metals being specified in the planning documents.

For the above reasons the final assessment of planned savings of metals accruing from tasks assigned for implementation by the State Plan for Technical Development in the Seventh Five-Year Plan cannot be made by FMTIR until work on the state plan draft is completed.

For Productive Refinement and Implementation

Proper management of metal resources necessarily calls for the cooperation of broad circles of workers to take advantage of their rich and demonstrated experience. Therefore, all levels of management must cooperate closely with state economic and trade union organs to:

--Insure that the tasks assigned by the State Goal-Oriented Metal Consumption Rationalization Program for the National Economy in the Seventh Five-Year Plan are specified in a form applicable to their own conditions and all workers are informed by proven indoctrination and popularization methods.

--Orient worker initiative to the economic use of metals and induce workers to productive technical programmatic planning of rational consumption of metals by creating favorable conditions using suitable motivation methods and monetary incentives.

--Intensify proven and develop innovative forms and methods of collective cooperation in solving problems and implementing tasks aimed at the rational utilization of metals and introduce them in all applicable situations.

--Monitor consistently the implementation of rationalization projects in sectors working with metals by regular audits of the fulfillment of the plan and place problems dealing with the rational management of metals on the agenda of production, branch, technical, and economic conferences, etc.

--Encourage the fulfillment of objectives of the State Goal-Oriented Program by organizing competitions aimed at saving metals, raw materials and supplies.

The program not only postulates, but insists on applying qualitatively higher and more comprehensive solutions to a number of technical, organizational and economic problems of a pervasive nature throughout the research, development, production and implementation stage. All levels of management must gain the cooperation of wide circles of workers in the effort and foster rationalization in close cooperation with party, trade union and youth organizations and the CSVTS [Czechoslovak Scientific and Technical Society].

It is generally known that some routinely used management tools being applied in sectors working with metals are incompatible with rational management. The existing management and planning system does not encourage enterprises to make use of rationalization credits or exploit their own resources to implement capital projects aimed at achieving rationalization.

Provisions adopted in this area should guarantee a balanced evaluation with respect to participation in savings involving metals through a more advantageous fulfillment of the plan and should signal any counterproductive effect of rationalization, i.e., any failure of an enterprise, plant, VHJ, research institute, etc., to participate in economizing involving metals and to advance proposals for individual remedial measures. The introduction of general nationwide indicators of savings involving metals should be systematically and primarily concentrated on selected sectors (enterprises) which are to be specifically followed. On the basis of experiences thus gained, a scale of selected coefficients favoring the fulfillment of the plan from the standpoint of economizing with metals, could be worked out and systematically improved.

The implementation of specific actions stipulated by the State-Oriented Metal Consumption Rationalization Program will help achieve the following savings in individual rationalization sectors (in tons):

	1981		1981-1985	
Area of rationalization	Ferrous	Non-ferrous	Ferrous	Non-ferrous
Metallurgical production	12,250	368	224,836	3,958
Production of metallurgical products, secondary products and semiproducts	5,383	--	32,149	1,835
Preparation and processing of metal waste	26,000	24.7	65,000	160
Total	43,633	392.7	321,985	5,953
Production of castings, forgings and pressed pieces	100	200	7,679	1,561
Designing and building machinery and equipment	23,786.7	932.3	169,751.2	3,791.4
Engineering production technologies	5,742.8	42	54,680.1	1,146.1
Using metal substitutes	307	174	2,036	13,614
Use of metal materials in other than engineering manufactures and sectors of the national economy	15,480	49	87,433	245
Total	45,639.5	1,197.3	315,711.3	18,796.5
Repair, maintenance and overhaul	20,939	13	107,672	73
Total specific actions	109,988.5	1,803	751,236.3	26,383.5
Included in the plan	94,664.5	1,545.7	7,623,921	8,919.8
In percent	86.1	86.5	83.1	33.8

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ARMED FORCES' TIES TO PEOPLE, 'HUMANIST' TRADITION CITED

East Berlin BAUERN-ECHO in German 20 Feb 81 p 5

[Article by Lt Gen E. Hampf, deputy chief, Political Main Administration, National People's Army (NVA): "For Great Combat Readiness! Everything for the Benefit of the People!"]

[Text] The National People's Army's (NVA's) military class mission consists of providing reliable protection for the socialist order and peaceful existence of GDR citizens and those of all the states of the socialist community against all attacks by the aggressive forces of imperialism and reactionaries, and to do so side by side and in close fraternal military cooperation with the glorious Soviet Army and the other socialist fraternal armies. This requires a high level of fighting efficiency and constant combat readiness on the part of combat troops and staffs. They must at any moment by ready and able to avert imperialist aggression and counterrevolutionary attacks and to defeat any enemy in a decisive manner. Not a simple task. It requires the personal commitment of every single soldier and his consciously political action. It requires military expertise and self-sacrifice. Army service is demanding. NVA comrades frequently experience combat alerts, strenuous tactical exercises, combat firing during day and night time, stress tests and actual deployment for the protection of our land, sea and air territories. They must prove themselves anew every day.

And they are proving themselves. This was clearly demonstrated during last fall's "Waffenbruederschaft [Comrades-in-Arms] 80" maneuvers. Remember the impressive TV, radio and press reports which showed that NVA members and their comrades-in-arms are excellently versed in the art of war, joint action in complex military operations and the use of modern weapons and combat techniques.

But that is not the only thing which distinguishes our soldiers. Benefits are derived from the fact that since the NVA's establishment, commanders and political leaders have paid particular attention to communist indoctrination of all army members. They are inculcating them with the persuasion that socialist armed forces have a humanist mission, by indoctrinating them, on the basis of our Marxist-Leninist ideology and SED directives, with firm class consciousness, love of their people and homeland, and hatred for all those opposed to peace.

Our people's political and moral unity will find its expression on 1 March, when we celebrate the NVA's 25th anniversary, when the soldiers in the garrisons will be joined by socialist brigade workers, collective farmers and students of sponsored training courses. It will once again become evident that the GDR's armed forces are devoted to the interests of the working class and to the welfare of the population.

The entire development of the NVA--its founding, structure, equipment, training and education--reflects the fact that the NVA, under SED leadership, constitutes a modern socialist army, a new type of army, which has proven itself in any type of complex situation and will continue to give a good account of itself.

Especially now, when the most aggressive imperialist circles are engaged in tangible efforts of exacerbating the international situation and of accumulating fuel for triggering a war against socialism; when danger to peace and detente keep increasing, there can be no more important task for the NVA than to do its utmost to guarantee a high level of fighting capability and combat readiness. That is why the comrades of the NVA are intensifying their training, why they are acquiring expertise in the use of the most modern technical combat materiel which is increasingly becoming available to the armed forces. That is why they are reinforcing their military collectives and compete with each other under the motto "Combat Position Tenth Party Conference--For Great Combat Readiness! Everything for the Benefit of the People!", with the objective of accomplishing all their tasks in the optimum manner. The NVA comrades are thus integrating themselves into the greatest people's initiative to date in GDR history for the overall strengthening of our socialist fatherland. The party and the people can rely on their army at all times.

What Enables NVA Members To Accomplish Their Military Class Mission?

1. The NVA is the first army of any German state to serve the vital interests of the working class and societal progress. It is the army of the liberated workers and peasants. The sons of our workers and collective farmers fulfill their service obligation, wearing the honored NVA uniform, so that our cities and towns may increasingly prosper and to provide our families with happy prospects. Never before in the history of the German people did an army bear arms in a more defenseworthy cause than the protection of socialism. That is why every one of our soldiers can be proud to wear his military uniform. He is a soldier of the revolution. He bears arms for the strengthening of the dictatorship of the proletariat, for the forces of the workers and the farmers of the GDR. The reason for the NVA's increasing power and strength is the fact that it was founded, built up and developed as a people's army and that it is always acting in that capacity. In case of need, it comes to the aid of our agriculture. The fact that the NVA is appreciated by our working class is proven by the cordial and close relationships between agricultural production collectives and the NVA units stationed in their areas. These good relations provide incentives for the soldiers in their service and for the collective farmers in their work.

2. The NVA is the first army of a German state to have the mission of bearing arms for the purpose of maintaining the peace. The socialist soldier is a determined defender of peace, humanity's greatest asset. Side by side with the Soviet Army, the principal pillar of the socialist defense pact, and side by side

with the other fraternal armies, the NVA is fulfilling a historic mission in the truest sense of the word. As a coalition army of the Warsaw Pact it contributes to defying the dangerous activities of the imperialists, to extend its efforts toward ensuring peace for all peoples and for creating optimum conditions for socialist and communist progress. Especially now, when unscrupulous power politicians and NATO military men are threatening socialism with a nuclear missile war, a heavy responsibility rests upon the shoulders of the combined armed forces. Our socialist national defense is perpetually maintained at the required status level. That is why the NVA is being given the most modern technical war materiel, the latest types of tanks, artillery, aircraft and naval vessels. We know this: socialism can force the enemy to abandon his peace-threatening politics only from a position of military strength. The mission of socialist armed forces is the defense of socialism and peace. And the NVA makes its contribution toward the continuation of successful peace politics.

3. The NVA is the first army of a German state in which patriotism and proletarian internationalism are combined. Since its establishment in 1956 our army has always proven its worth as a coalition army. Especially in the staunch fraternal pact with the Soviet Army and naval fleet we find an expression of the insuperable power of the ideas of socialist patriotism and proletarian internationalism which determine the thinking and actions of NVA members. Last but not least, the strength of the GDR and its NVA is based on the strength of our allies, especially the USSR and its armed forces. Together with them we are invincible. We can say this with complete conviction because the Soviet Army, the army of the great socialist October revolution, steeled in the great patriotic war, has always proven its invincibility. The Soviet Army--forever the NVA's shining example--defends socialism and peace in its capacity as the world's greatest military power.

Today more than ever, the NVA, as an esteemed partner in the community of socialist fraternal armies, is closely tied to its Soviet brothers-in-arms. Every day we experience their selfless support. Our relationship becomes closer with every day that passes, especially with the comrades of the Group of Soviet Forces in Germany (GSFG) and the Red Flag Baltic Fleet, who jointly with us protect the peace at the borderline between socialism and imperialism in Europe. The enemy does not have a chance! On their day of honor the NVA comrades extend greetings to the working class, its allied class of collective farmers, and the intelligentsia. The soldiers, noncommissioned officers, officer cadets and officers of the NVA vow that they are prepared to accomplish any task of our worker-peasant power for the benefit of the people and the socialist community. Together with all workers they are making appropriate preparations for the Tenth SED Conference, which will develop new objectives for the further evolution of the developed socialist society within which we are creating basic conditions for the gradual transition into communism.

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GERMAN DEMOCRATIC REPUBLIC

NEW REQUIREMENTS FOR BUILDING INDUSTRY ANALYZED

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['Economic Productive Capacity and Conscious Action' feature article by Wolfgang Junker, member, SED Central Committee; minister for construction industry: "Efficient Construction Through Acceleration of Scientific-Technical Progress"]

> [Text] GDR construction workers are facing the requirements of the 1980's through new initiatives. What are these new requirements? How can the experiences we have had be further developed and, on their basis, the effectiveness of scientific-technical work be enhanced? What is the significance to this of building in terms of an energy economy, the struggle for a higher materials economy? What requirements result from there for a more highly skilled management and planning in science and technology?

Preparing the 10th SED Congress with dignity is marked, in construction as in all other areas of the economy, by many initiatives and a big upswing in labor. The results of last year and the start of the 1981 plan reveal the construction workers' determination to face the demands of the 1980's in conformity with the 13th SED Central Committee session. Their activities conform with the basic orientation reiterated at the seventh construction conference by SED Central Committee General Secretary Comrady Erich Honecker toward "still more extensively combining than heretofore the scientific-technical revolution with the advantages of the socialist social order."[1]

The reporting election meetings of the combines, enterprises and scientific institutions in the building trade and many party activists' conferences have thoroughly discussed the higher criteria in our investment and construction activity. They are more and more seen to be a challenge to making a greater contribution of their own to boosting economic efficiency and thus to an increased capacity of socialism. In workers' fashion, brigade chiefs Horst Reuter and Otto Vorhauer of the Magdeburg housing construction combine expressed that thought as follows: "Anyone who clearly understands the tasks in construction in the 1980's," they said, "must take a critical position on his own work. Resting on our successes, no matter how much they have been applauded, leads to nothing but standstill. What counts are new considerations, new successes in the struggle for peace and for consolidating our republic." A fighting position like that and the communists' exemplary manner of taking the lead, combined with high-level management and planning activity, reflect the leading role of our party which defines the direction and goal of the construction workers' creative contest. Socialist competition, as organized by the trade unions, and the "FDJ Party Congress Initiative" thereby constantly receive mighty impulses for new initiatives oriented to the achievements of the best workers.

That is most impressively reflected in the letters sent to our party's Central Committee by the collectives of the metal light construction combine, the technical building equipment combine, the Erfurt construction and assembly combine, and the Magdeburg housing construction combine. Following the example of the Zeiss workers, they are competing for exceeding their 1981 plan targets and coming up with an extra-day production volume even prior to the 10th party congress. These initiatives have led to an emphatic response and already determine the work rhythm in the whole construction field. They are a clew for how the contribution by the construction industry to continuing the course of the main task in its unity of economic and social policy is to be enlarged. They simultaneously conform with Lenin's universally valid remark that "in pursuit of our scientific and practical experiences, we must seek always and everywhere to fulfill the plan more quickly than scheduled."[2]

What obligations all construction collectives have in common is to make a decisively better use of the qualitative growth factors and, above all, clearly place the focus of the competition initiative more and more on shorter construction time frames and the conserving of enermy and material. The basis for the construction workers' struggle for accelerating scientific-technical progress as the key problem for further performance improvement is the "science conception for the construction industry for the 1981-1985 period," as issued by the Central Committee Politburo and the GDR Council of Ministers. Focused over the long haul, it proceeds from the high economic requirements for all areas in construction and contains the crucial scientific-technical requirements for a dynamic performance boost through intensification and resolute rationalization.

Coping With the New Requirements With Much More Efficiency

The tasks construction has to cope with are indissolubly tied up with all basic concerns in the continued shaping of the developed socialist society. Construction workers bear a growing responsibility for strengthening the completion of planned projects in terms of deadlines and proper as to qualities and, thereby, the material-technical base of our economy, including our national defense, consistently implementing the housing construction program, further developing Berlin, the GDR capital, and insuring important material conditions in the field of public education and in the social and cultural fields.

The needed production growth must principally come by way of socialist intensification through improved efficiency. More than ever must the creative work of all who are involved in investment and construction activities be aimed at significantly increasing our national income and must contribute to its being efficiently used. Our coping with these new requirements calls for greater skill in our centralized state management and planning combined with more of a responsibility of their own on the part of the construction combines and enterprises.

What, essentially, do these requirements consist of?

The key problem in boosting our efficiency and reliably meeting all planned construction tasks lies in steadily improving our labor productivity. It means achieving an annual 6 to 7 percent labor productivity growth rate in in decisive plants through consistent rationalization measures and a technologically higher construction level, especially in the fast growing tasks for the reconstruction and maintenance of the construction substance.

Of great economic importance is the objective of reducing construction investments by 15 percent in the 1981-1985 period. Thus we must, through scientific-technical means, mainly make those construction processes more rational which up to now still call for the greatest investments in working time and material. That mainly holds true for underground construction, concrete construction and building completion. Along with it we must work out more scientific foundations for economically favorable and fine design solutions in urban construction. Practice has shown that even for optimizing sites and in urban planning and urban project planning the greatest reserves can be tapped for lowering construction expenditures.

Construction workers face higher demands by a 30 to 50 percent reduction of construction time frames as compared with the current status, mainly in industrial and science projects, and by more strongly than thus far contributing to a reduction of the construction share in investments. To that end we must further improve tried and tested construction methods utilizing a high degree of prefabrication and apply modern technologies broadly. A decisive reduction of construction time frames presupposes a purposeful struggle for scientific-technical top-performance levels, and a target-directed preparation of investments that are realized in a concentrated manner in accordance with an economically most efficient sequence and priority plan.

Building in terms of an energy economy is the main trend in investment and construction activity that determines efficiency and quality. Here the main efforts must be directed at gaining more of a scientific-technical lead and at practicable solutions that will by 1985 have reduced energy consumption for indoor heating purposes by 30 percent.

Last but not least, material requirements arising for our increased performance in construction have to be met for more than 50 percent by reserves in our materials economy. The performance and efficiency growth in construction largely depends on a specific reduction of material and energy costs and on a much higher degree of refinement for the raw and working materials. For that it is indispensable that we adapt all our work to the new criteria through standards, norms and coefficients, while proceeding from the most up-to-date state of affairs.

Coping with these new demands in investment and construction activity is a profoundly political concern which can be implemented all the more, the more thoroughly the collectives involved come to understand that our construction truly serves the well-being and happiness of the people and that what matters is to do all they can every day for highest efficiency and labor quality. The party elections in particular have helped shape clear, politically motivated fighting positions in the party organizations. They more strongly oriented our confident ideological work in close collaboration with the trade union and FDJ organizations to making our construction workers increasingly better aware of the growing demand placed on their labor and, with it, of its fine prospect in our socialist state. With this the realization deepens that construction too has to take new routes for any future efficiency and performance improvements. The broad use of best experiences has to be coupled with "arousing, and emphatically promoting, love and passion for scientific-technical innovations and top performances."[3] Such an approach facilitates our constantly more effectively exhausting the impulses inherent in socialism for the construction tasks that have to be solved.

Better Use of Sound Experiences and of What We Have

More and more construction collectives are doing outstanding work. In the Plauen plant of the metal light construction combine, for example, purposeful efforts are being made to achieve, and codetermine, the scientific-technical top level for the chief products and technologies. In conformity with a long-term conception, whole production sectors are being thoroughly rationalized. An example of it is the automated conveyer belt for the new frame member construction for hangar design. That saves 1,000 tons of steel annually. The conveyer belt is equipped with microelectronically controlled automatic welding machines developed right there. More than 80 percent of the installation comes out of its own construction of means of rationalization. Necessary construction measures were implemented by the construction departments in the plant while production was in progress. Over 40 percent of the working people in that enterprise is made up of active innovators, who have a great share in its successes.

The light metal construction workers in Plauen are not satisfied, however, with what they have achieved. They are in the process of using processes under microelectronic control at a still larger scope and of further accelerating their production efficiency growth rate through welding and finishing robots they themselves have developed. Here and equally much in other progressive combines and enterprises, such as the Erfurt construction and assembly combine, science and technology become a productive source for continued and penetrating performance improvements. That mainly is being achieved by that the chiefs, primarily the general directors, are heading the struggle for accelerating scientific-technical progress. They seek to make increasingly stronger use of the advantages of the science and production affiliation, the abilities of the research personnel, project planners and designers being closely combined with the longtime practical experience of highly skilled specialists, operators, foremen and engineers, and especially with the innovators in production. There, science has truly become second nature, has completely and effectively become an element of the ordinary working day. Decisive for it is a confident atmosphere, established by the party organizations and mobilizing all social forces, where the courage for new solutions, the willingness to take risks and cooperation grow and prosper.

Today the material and intellectual potential in construction, grown considerably, especially in implementation of the eighth and ninth congress resolutions, forms a solid foundation for developing such a creative working procedure in its whole breadth. That principally applies to combines in which "the cycle of science, production, economic utilization of results and the growth of our national income" is closed.[4] Through the development of the construction material and prefabrication industry a strong material basis has been created for industrialized production.

Basic production assets in construction have more than doubled in the last decade. High-level industrial construction is increasingly reflected, in industrial construction, by products and technologies that are in line with international standards. Up to 95 percent of housing construction is done through industrial construction methods. The average annual conveyer belt performance in housing construction rose, for example, from 460 new dwelling units in 1971 to 850 in 1980, with no increase in manpower.

Important scientific preparatory work was necessary for that. Our party resolutions therefore paid special attention to boosting the capacities of construction science and to rendering its work more efficient. Today more than 10,000 work directly in construction science--in the combines and in the GDR building academy. They have a developed testing and laboratory capacity available to them. And furthermore there are approximately 20,000 architects, engineers, economists and associates in project planning who bear a higher responsibility than they ever did for a rapid and comprehensive application of scientific-technical data. All this, including the solid knowledge the specialists, innovators and rationalizers have, makes apparent that we can go into the new Five-Year Plan from a sound starting position.

Significantly Improving the Efficiency of Scientific-Technical Work

At this time what matters in particular in construction is to turn science and technology in a new way and with much greater resolve into the point of departure in the struggle for the highest economic efficiency and for an important performance boost. It is necessary to concentrate the capacities in the construction combines and the GDR construction academy, based on the science conceptions in construction, on the priorities that are decisive for our performance and efficiency development, especially on government orders and top performances commanding a broad range of applicability.

What then are mainly the priorities here? In industrial construction the point is crucially to raise the scientific-technical level for the strongly increasing reconstruction measures. Particularly by rational technological methods economic efficiency has to be improved and the work of the collectives, facilitated and rendered more productive. In important projects of the Bitterfeld chemical combine it was possible this way to reduce the traditional time frame and cost in underground construction up to 60 percent, and the construction share and material consumption, compared with new construction, by about half. Through prefabricated roof and wall sections it becomes possible to do the construction while the production process goes on. In the Bitterfeld chemical combine alone therefore, industrial commodity production planned for 1980, valued at more than M 170 million, was thereby assured. These new solutions and their being steadily perfected are of the greatest economic importance to focusing industrial construction more on reconstruction projects.

The further development of our republic's power industry makes a high demand on the collectives in industrial construction. Economically urgent are rational solutions, in line with optimum scientific-technical standards, for nuclear plant construction and for building power and heating plants on a soft coal basis and for the reconstruction of briquette factories.

For industrial new construction and reconstruction, one-story and several-story production buildings are to be produced in series, with everything included, and new construction methods are to be developed which save energy and material. In particular it is necessary to exhaust the possibilities for optimizing construction material combinations, mainly in light metal and concrete designs, so as to conserve thereby at least 50,000 tons of steel up to 1985. What matters not last is to raise the level of technological work in order to tap considerable reserves, especially for boosting labor productivity. It conforms to objective requirements to treat, and decide, all fundamental matters in our construction activity more strongly in their inseparable connection with available building assets. That holds true for industrial construction as much as for complex housing construction.

For further implementing our housing construction program in its unity of new construction, modernization and maintenance, new scientific solutions are required that will make sure that the reduction of construction costs earmarked up to 1985 by at least 15 percent becomes plan-effective year after year. Fully exhausting all possibilities of science and technology in building beautifully and purposefully and coupling high economic efficiency with architectural quality in urban design belongs among the most important tasks of all state organs that are responsible for a solid preparation and reliable implementation of the planned achievements in complex housing construction. To create scientific lead time and broadly suitable model solutions is up to the GDR construction academy. That includes scientific blueprints for general construction planning and the most favorable site determinations by which optimum use can be made of the funds available, traffic networks and installations, and technical supply facilities. They must above all be aimed at reducing building costs, exhausting the possibilities of territorial rationalization and, ultimately, improving the municipal economy.

Especially since the 11th session of our party's Central Committee, the bezirk councils, led by the bezirk managements, have done solid conceptual work for reducing the costs of complex housing construction systematically by from 4 to 5 percent even this year, while fully assuring our sociopolitical objective and a fine structural quality. Exemplary results have been achieved in this especially in the bezirks of Magdeburg, Gera, Cottbus and Rostock, and in our capital Berlin. They have shown that the criteria set by the seventh construction conference, while demanding, can be attained through a combative position and expert cooperation. This also confirms the experience that a long-term preparation for housing construction goes a long way toward setting the switches for the most favorable cost-benefit ratio and for high continuity of construction in assembly line and coveyer belt processes. Through checking the conceptions for built-up sites, sites already allocated were used in an optimum manner, 30,000 apartments more than originally envisaged were integrated at already prepared building sites, the most rational limits to building heights were set down, and the projection projects were significantly reduced. Public institutions, roads and parking lots were better adapted to the conditions of a given building site. A 400-hectare farm acreage needed not to be resorted to, as far as we now know. Urgent underground projects can thereby also be better implemented. The political approach to this task deepened the conviction of all who were involved "that the functional and design quality of urban construction attained thus far can, and must, not only be maintained but can still even be improved,"[5] and that a "cost reduction of 5 percent together with an improvement in the housing quality can be attained"[6] for 1981. That makes a high demand on the creative work of the architects and urban planners, who have already given evidence of their great skill in many places.

Closely connected with it in all housing construction combines are the measures for continuing a resolute rationalization of products and procedures. By way of priorities this is a matter of further developing the housing construction series 70 and the projects for communal facilities while consistently making scientific-technical data economically effective thereby. Not least, it is important to carry on our rational technologies and good labor organization with respect to a high level of assembly line and conveyer belt production throughout 1981. In all this, great attention should always be paid to fruitful collaboration with the GDR Architects Association and the Chamber of Technology.

To Accelerate Energy-Economy Construction

A precept of the first rank for our republic lies in steadily reducing our energy consumption and thriftily making do with the energy we have available. The building industry bears a special responsibility here and mainly has to cope with two inseparably connected tasks:

Of the total consumption energy available in our republic, 7 percent is at present needed for processes in the building material and prefabrication industry and for the production at the building sites. It is imperative to optimize these processes resolutely, introduce new energy-saving procedures in practice and accelerate the change-over of energy sources from heating oil to solid fuels. The construction material and prefabrication industry has to come up with at least three-fourths of the planned production growth, without their using up any additional consumption energy.

More than 35 percent of the consumption energy available is used for the heating of housing and public and production installations and other buildings. Through improved insulation of the new buildings and the ones that are to be reconstructed energy consumption for purposes of indoor heating is to be reduced up to 1985 by 30 percent. That, comparatively speaking, amounts to a saving of circa 5.5 million tons of rough lignite, on which the minimum objectives in cost accounting are based. Of this, this year alone, through an economic use of scientific-technical data, a saving equivalent of half a million tons of rough lignite has to be achieved.

In recent years, important scientific-technical data pertaining to a higher energy-economy efficiency have been obtained and made practical use of. That includes the introduction of triple-layer exterior wall elements in housing construction, radiator panel heaters in production buildings, and indoor contact stations that are not dependent on outside temperatures. Even so, we are still in our infancy in this field, and we must now make speedy headway. To that end, capacities are concentrated on the following tasks:

First, we need more of a scientific lead time so as to tap over the long haul lots of energy-efficient effects even in the general building plans and in urban planning. A tighter correlation between the place of work and one's home, the compact urban construction and the rowhouse in building a home of one's own, optimizing the heat network supplies, increased recycling of heat and the use of industrial excess heat for indoor heating, the most favorable ratio between structures and their outside areas and other matters are matters of greatest importance even during the early phase of investment preparation.

Second, it becomes a matter of significantly improving the insulation capacity in the outer walls of buildings. We must insure higher insulation values particularly for outer walls, windows, roofs and basement panels. Such measures are envisaged for circa 80,000 apartments that are being built in 1981. At the same time, still this year we are going to introduce a new standard, "Heat Protection in Construction Technology," that deals with mandatory norms for improved insulation.

Third, scientific prerequisites have to be created for a higher degree of refinement of insulation materials on a domestic raw material base, to be produced with the smallest conceivable energy and investment effort.

Fourth, it is necessary further to develop known solutions for technical building equipment and to get ready for new, microelectronically controlled heating and air conditioning installations and for the use of excess and environmental heat.

To Insure the Highest Materials Economy

It has long been found useful in the construction industry to pay great attention to a solid material base that relies on domestic raw materials and to an increasing use of secondary raw materials. To be sure, also in this area the demands of the 1980's cannot be met solely by the methods we are used to and have found useful. Qualitatively new and higher demands arise from the structure of the construction tasks, the far greater output of export products through which we can earn foreign currency, and the new high-grade consumer goods and building materials for our population. Not last, the higher efficiency criteria for the production and use of construction materials result from the fact that in this field also the extraction conditions have become more complicated and expensive. After all, in the construction materials industry, being second only in our national economy in terms of production volume, the soft coal industry being first, must extract and process annually approximately 160 million tons of rock and earth raw materials.

The main trend in the development of the whole construction materials industry lies in providing a significantly higher degree of refinement for domestic raw materials and an ever increasing share of secondary raw materials. Rational production methods have to be speeded up to that end, among which microelectronics is used more and exercises increasing influence on labor productivity and on the efficiency and quality of the products. And this mainly involves the kind of products that have multiple uses in reconstruction and modernization measures, reduce the construction and repair requirements because of their high properties and durability, and serve a good architectural design. Simultaneously, we must speed up the production and refining of those building materials that enable us to push energy-economic construction ahead fast. All efforts in boosting the production of building materials must more strongly than ever be accompanied by rigorous measures that will reduce the consumption of materials. The fact that the construction combines and enterprises consume one-third of our rolling-steel output, nearly half of our coniferous lumber, and two-thirds of our cement production, suggests how much of a responsibility the construction industry has to having our economic balance-sheets make sense. In the 1981-1985 period thus the construction industry has to reduce its consumption of rolling steel by 350,000 tons, of cement, by more than 1 million tons, and of lumber, by circa 180,000 cubic meters. Approximately

80 percent of these savings has to come from the higher degree of efficiency in our scientific-technical work. The longtime experiences in scientifically pervading a production process that focuses on the highest materials economy and in the work according to norms in the metal light construction combine and in the combine for construction elements and fibrous construction materials must be broadly generalized. At the same time we need an atmosphere everywhere in which all sources of losses are disclosed, any waste is resolutely barred, and the conserving of material becomes a matter of workers' honor.

The Management and Planning of Science and Technology

The new efficiency goals, which far transcend what has heretofore been achieved in the construction industry, require for science and technology to be conducted uniformly by the Ministry for Construction, through a long-range orientation and as an interconnected process from research all the way to the introduction and extensive economic utilization of the results. Primarily we must make full use of the advantages found in the affiliation of science with production in the combines and in our centrally ordered and uniform scientific-technical development. With the construction industry combines, which dispose of more than two-thirds of our R&D capacities, we have economic and political centers that authoritatively control the high scientific-technical level and the efficiency and quality of labor in the construction industry. They are in the position, as proven in Erfurt's construction and assembly combine and in Magdeburg's housing construction combine, to tap the great potentials in socialist cooperative science and production efforts, whereby they come up with top achievements for the main commodities and crucial technologies. However, in this regard there are considerable differences in levels among the centrally managed combines as well as among the housing construction and underground construction combines in the bezirks. The most important management and planning task on all levels therefore is to make effective the possibilities given to the combines for higher efficiency and thoroughly to generalize the most progressive experiences to that end. That includes directing scientific-technical work and planning it with prescience in accordance with a long-term concept.

A priority task for every general director is to use his scientific-technical potential in such a way that commodity qualities are improved very fast and a higher production level is attained through modern technologies and sound production organization. Accordingly, what matters in all construction industry combines is to use still more intensively and strengthen in more of a target-directed manner the scientific-technical potential and the capacities for producing their own means of rationalization. We must more systematically still organize the combines' cooperation with the building academy and other science institutions, on the basis of the state plan for science and technology as ratified by the Ministry for Construction. This alone can close the cycle from basic research all the way to an effective utilization of research results. The GDR building academy, the central construction research institution, has a special responsibility in all this. In view of the similarity of important products, designs and technologies in the construction industry, it must make its systematic cooperation with the combines, in terms of a division of labor, still closer and economically more effective. It is also up to the building academy to create the necessary scientific lead time in crucial areas of construction and urban construction and to handle research tasks of fundamental importance for investment and construction activities.

Under its scientific direction, those scientific-technical tasks are to be solved through government orders which because of their efficiency and broad effects set the speed for our economic development. Relying on the good experiences we have had so far, the research cooperation of the construction industry combines and the building academy with the Academy of Sciences and GDR universities and colleges is systematically being deepened. This systematic cooperation ought to be directed more purposefully still at scientific lead time and the solving of fundamental problems in the scientific-technical development of the construction industry. That will also have beneficial effects on the training and advanced training of the up-and-coming science generation.

Further Deepening Cooperation With the USSR

Comprehensive cooperation with the Soviet Union is of the greatest importance for coping with current and future tasks in the construction industry. Thus we are making greater efforts in contributing through our own scientific-technical performance to making ever more fruitful the international division of labor with the Soviet Union and the other fraternal socialist countries, and toward deriving benefit from it. Most of the central construction industry combines and all research institutes in the building academy of the GDR are directly involved through achievements of their own, on the basis of government agreements and ministerial accords, in this successful science cooperation. This cooperation with the Soviet Union is further being deepened. It proves especially effective because, based on the GDR-USSR production specialization and cooperation program up to 1990, it is aimed at those priorities which will guarantee, today and in the future, a high rate of economic growth. In the 1981-1985 period, research capacities and funds will, in this division of labor, be concentrated on developing new technologies, designs and equipment for industrial and housing construction and for the prefabrication industry of great benefit to the investment and construction activities in the GDR and the USSR. This common work of large collectives in socialist construction consolidates our friendship, and the network of fraternal relations between the construction workers of our countries becomes finer all the time.

The construction workers are assigned great and beautiful tasks through our party resolutions. Oriented to the requirements of the 1980's, they are going after their solutions as directed. They consider it a matter of honor to approach the 10th party congress by high achievements and the fulfillment of competition pledges.

FOOTNOTES

1. Erich Honecker, "Final Speech," "Protokoll der 7. Baukonferenz des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands und des Ministerrates der Deutschen Demokratischen Republik" (Proceedings of the Seventh Construction Conference of the SED Central Committee and the GDR Council of Ministers), Staatsverlag der DDR, Berlin, 1980, p 182.

2. V. I. Lenin, "Eighth All-Russian Soviet Congress," "Werke" (Works), Vol 31, Dietz publishing house, Berlin, 1959, p 508.

3. Erich Honecker, "Aus meinem Leben" (From My Life), Dietz publishing house, Berlin, 1980, p 288.

4. Guenter Mittag, "Mit der Kraft der Kombinate fuer weiteren hohen Leistungsanstieg" (For Continued High Performance Boosts Through the Strength of the Combines), Dietz publishing house, Berlin, 1980, p 36.

5. NEUES DEUTSCHLAND, 3 December 1980, p 3.

6. Ibid., 4 December 1980, p 3.

7. Cf. Erich Honecker, "Final Speech," "Protokoll . . . .," loc. cit., p 192.

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FULFILLMENT OF 1980 SOCIOECONOMIC PLAN REPORTED

Warsaw TRYBUNA LUDU in Polish 5 Feb 81 pp 3, 6

[Report of the Main Statistical Office on the Socioeconomic Situation of Poland and Implementation of the 1980 Plan]

[Text] The socioeconomic situation of the country in 1980 was strongly affected by the conditions of previous years which caused an imbalance in many fields of our economy. The situation was particularly affected by disproportions in investment processes, which caused a lack of balance in inter-branch production, restrictions on supply material imports and a growing acuteness of the imbalance of the domestic market. The economic balance was also adversely affected by backwardness in agriculture, resulting from, among other things, growing shortages of means of production for this sector of the national economy. At the same time there was no relation between the growth of wages and that of the social productivity of labor.

As a result of the considerable foreign trade deficit, the country's liabilities increased further, which adversely affected our balance of payments.

The situation in 1980 was further complicated by crop failures, which under our present conditions, exerted a very serious impact on economic balance.

The effects of the lack of economic balance were particularly obvious in the second half of 1980 causing further disturbances in production and its drop, which resulted, among other things, from a drop in the productivity of labor, stoppages and strikes which took place as a result of the social turmoils throughout the country.

The results attained in 1980 are, in many respects, bad. In particular, attention should be drawn to the facts that:

--it was the second subsequent year where the national income produced, as well as social productivity of labor, decreased, while at the same time the drop in the national income was greater than in 1979;

--much less investments were completed than in any other previous year, the commitment and freezing of investments continued to grow;

--the dynamics of foreign trade lessened, particularly in export, which as a result worsened the financial position of the country;

--production of the nationalized sector dropped and the plan for the manufacture of the majority of basic goods was not fulfilled;

--in agriculture, plant production dropped very steeply and the fodder situation worsened in the face of the envisaged shortage of fodder in the first half of 1981, the stock of cattle also fell considerably in the latter part of 1980;

--together with the drop in production and social productivity of labor, nominal wages as well as social welfare allocations increased substantially;

--disparity between the population's incomes and the supply to the market (food and nonfood products) grew; in this situation, prices went up and the imbalance in the domestic market deepened;

--as a result of the increase in prices, the cost of living increased considerably, which affected the family standard of living, and in those working class and peasant families whose nominal wages did not keep up with the cost of living, the standard of living deteriorated;

--the fundamental tasks of the housing construction and social services were not implemented.

The basic indices characterizing--in comparable terms--the socioeconomic situation in 1980, compared to the situation in the preceding year, were as follows:

Specification	Index 1979=100
National income produced	about 96
Gross value of capital assets	104
Per capita consumption of material goods	about 100
Personnel wage fund	112.6
Nominal pay	112.8
Cost of living	about 110
Retail sale of goods	100.6
Export	95.7
Import	97.2
Investment outlays in socialized economy	89.5
Production sold in socialized industry	98.7
Basic production of socialized construction-assembly enterprises	90.6
Gross agricultural production	90.4
Plant	84.8
Animal	96.7
Traffic carried out by socialized transport enterprises	99.7
Employment in the socialized economy	99.9
I Dwellings built for the nationalized economy	81

National Income, Investments

In 1980, the national income in fixed prices was 4 percent lower than in 1979, and about 6 percent lower than in 1978. Harmful tendencies in the form of a drop in net production and productivity of labor manifested themselves in all basic branches of the national economy, i.e. in industry, building and agriculture. Net production in industry decreased by about 3 percent, in construction by more than 10 percent, and in agriculture by about 15 percent. In the nonagricultural sectors of the national economy, the national income decreased by more than 2 percent, similarly, the social productivity of labor decreased by about 2 percent.

Also, the national income distributed was about 4 percent lower, but its level was slightly higher than that of the national income produced, as a result of the foreign trade deficit.

With the declining national income and, in the second half of the year, consumption level, both the total consumption as well as consumption of material goods by the population increased, on average, by more than 1 percent during all of 1980; converting it to per capita consumption, the level approached that of the previous year. This became feasible because of the changed structures of import and export in relation to 1979, decreased rate of growth of supplies, and cuts in investment allocations. Net investment outlays for capital assets, compared to 1979, decreased by about 19 percent. The share of investments in the national income distributed decreased further (from 23.2 percent in 1979 to 19.7 percent in 1980, counted in fixed prices), which is consistent with the current guidelines of our economic policy.

In 1980, material plans for completing investment projects were executed to a much lower degree than in previous years. About 60 percent of the investments planned for completion in 1980 were not carried out by the socialized economy.

Excessive investments were one of the main reasons for the perpetuation of the execution of these investments and of the growing freeze of outlays. At the end of 1980, outlays frozen in unfinished investments amounted to c. 800 billion zlotys, including 35.5 billion zlotys held in stocks of machines and equipment (in 13 basic economic ministries) which had been in storage for more than 6 months; in 1979 the respective data were: 664.8 billion zlotys and 27.5 billion zlotys.

To complete all the unfinished investment construction, it is necessary to tie up c. 1.3 billion zlotys in the next few years, calculating the cost in 1978 prices.

Investment outlays in 1980 amounted to 535 billion zlotys and were 18.6 billion zlotys short of the readjusted national socioeconomic plan. Compared with 1979, this means reduction of the level of investments (counting in comparable prices) more than 10 percent, of purchases of machines and equipment for investment about 5 percent, and of purchases in capitalist countries 21.5 percent.

Foreign Trade

In 1980 the turnover of Polish foreign trade (in current prices) increased by 4.8 percent in comparison with 1979. The value of Poland's exports amounted to 51.9 billion exchange zlotys and increased by 3.4 percent while the value of imports was 57.6 billion exchange zlotys—an increase of 6.1 percent.

In 1980 the deficit in Polish trade turnover amounted to 5.7 billion exchange zlotys; in 1979 the deficit was 4.1 billion. The deficit in the foreign trade turnover with the socialist countries amounted to 3 billion exchange zlotys, and in the trade with the capitalist countries the figure was 2.7 billion zlotys. In 1979 Poland had a surplus of 1.1 billion exchange zlotys in her trade with the socialist countries while her trade turnover with the capitalist countries marked a deficit of 5.2 billion zlotys.

The country's payment situation deteriorated. The huge excess of imports over exports and the payment of credit interest caused a further increase in Poland's indebtedness. The medium and long term debts in convertible and clearing currencies of the capitalist states increased by 8 billion exchange zlotys in 1980 and reached the value of 70.2 billion exchange zlotys i.e. 23 billion dollars at the end of the year.

In the first 6 months of 1980, Poland's foreign trade turnover dynamically developed. At that time exports increased by 15 percent and a 16 percent rise was seen in Poland's imports. The situation deteriorated in the second half of last year. In comparison with the analogous period of the previous year, the exports and imports dropped by 6.5 and 1.2 percent respectively. In comparison with the second half of 1979 a drop was seen in the exports of: coal--by 12 million tons, coke--by 300 million tons, copper--7.5 million tons, sulphur--312,000 tons, cement--314,000 tons, canned ham--4,000 tons, bacon--2,400 tons and cotton fabric--15 million meters.

The poor trade results in 1980 were above all an outcome of halting the exports of electrical engineering industry products and a decrease in the exports of some basic raw materials. Another reason was the unfavorable price situation in foreign trade.

The increased prices of exports to the capitalist countries amounted to 12.4 percent, and to 4.9 percent in the sales to the socialist countries, and was lower than the increased prices of imports which amounted to 12.7 percent (the capitalist countries) and 6.8 percent (the socialist countries). The increase in prices of imports from the socialist countries was mainly caused by the increased price of crude oil, petroleum products and natural gas.

All these made the terms of trade disadvantageous to Polish foreign trade. Hence, the index of physical changes in the size of Polish exports and imports was lower than the index calculated on the basis of the value of trade in current prices (exports 95.7 percent, imports 97.2 percent).

The last year saw big transformations in the structure of exports and imports. In exports the share of fuels dropped from 14.9 percent in 1979 to 14.1 percent in 1980, electrical engineering industry products from 49.1 percent to 47.9 percent, food and farm products: from 8.7 percent to 7.6 percent. In imports the share of fuels increased from 15.3 percent to 18.3 percent, food and farm products from 13.3 percent to 15.1 percent. The imports for electrical engineering industry products decreased from 37.6 percent to 34.5 percent and metallurgical industry products from 11.8 percent to 10.8 percent.

The value of Polish exports of electrical engineering products amounted to 24.9 billion exchange zlotys and was greater by 1 percent than in 1979. An increase was also recorded in the exports of copper, silver, zinc, plastics, petroleum products, phosphatic fertilizers, wool fabric, sheep for slaughter and poultry.

Exports of hard coal amounted to 31 million tons which was 10.4 million tons less than a year ago. The value of our coal exports decreased by 1 billion zlotys. A crop was seen in the exports of lignite, coke, cement, aluminum, caustic soda, synthetic rubber, carpets, silk, meat, including bacon and canned ham, sugar and rape oil.

The value of the imports of electrical engineering products amounted to 19.9 billion exchange zlotys--a 2.5 percent drop from the 1979 figure. A decrease was also noted in the imports of metallurgical products, aluminum, asbestos, paper and cardboard, viscose cellulose, wool, cotton yarn, and some consumer goods, such as passenger cars, bicycles, washing machines, cameras, watches, carpets, leather shoes, fish and fish products and citrus fruit.

A big rise was seen in expenditures on imported grain and concentrated fodders, which amounted to 5.6 billion exchange zlotys last year (a rise of 26 percent). The imports of grain and fodders amounted to 9 million tons. Poland also increased her imports of raw materials for production supplies: iron ores; natural gas; petroleum products; aluminum oxide; potassium fertilizers; cotton and cotton fabric; vegetable oils, cocoa beans; and such consumer goods as tea, rice, meat, butter, grapes and wines.

Industry and Building

Production output in socialized industry in 1980, particularly the second half, was severely affected by worsening supplies of raw and other materials, fuels and energy as well as by cooperation disturbances, work stoppages and strikes. This resulted in a smaller utilization of the already low production capacity and in a decrease in the efficiency of work.

In fixed purchase prices, the value of sold production in socialized industry in 1980 was 1.3 percent lower than in 1979 (1 percent drop in production for market supplies and 1.4 percent drop in export production). A decrease was recorded in the production of the major part of basic industrial products.

The table below presents the production output of major products of socialized industry:

		1980	
Product	Unit of Measure	Production	Index 1979=100
Hard coal	millions of tons	193.1	96.1
Processed crude oil	" " "	16.1	97
Electric power	billions of kilowatt hours	121.9	103.7
Natural steel	millions of tons	19.5	101.4
Rolled products (semi-finished products included)	" " "	13.6	99.8
Electrolytic copper	thousands of tons	357.3	106.4
Metallurgical aluminum	" " "	95.1	98.5
Roller bearings	millions	124.8	95.8
Metal-cutting machine tools	millions of zlotys[a]	8,157	92
Metal plastic working machines	" " " "	1,352	112.6
Electric rotary machines	" " " "	11,852	114.8
	megawatts	9,878	93
Automatic control devices	millions of zlotys[a]	9,109	96.3
Semiconductor elements	millions	255.9	111
Including transistors	"	86.7	102.4
Computer systems and electronic computer equipment	millions of zlotys[a]	11,485	107.5
Farming machines and implements	" " " "	18,566	99.1
Passenger cars	thousands	351.4	100.5
Trucks	"	47.3	93.5
Buses	"	12.8	95.3

		1980	
Articles	Measurement unit	Fulfillment	Index 1979=100
Biaxial agricultural tractors	thousands	57.5	105.9
	thousands of horsepower	2,666	106.3
Ocean going ships	billions of zlotys[a]	22.5	101
(above 100 DWT)	thousands DWT tons	392.2	65.1
Radio sets	thousands	2,696	101.3
Including stereophonic	"	220.3	105.1
Television sets	"	895.9	97.9
Including color sets	"	146.9	165.0
Tape recorders	"	801	94.3
Washing machines and household electric driers	"	809.1	107.4

[Table continued on following page]

Including automatic ones	thousands	360.2	122.1
Household refrigerators	"	692.3	90.5
Sewing machines	"	409.2	112.5
Fertilizers in terms of pure components	thousands of tons	2,239	92.6
Synthetic Materials	" " "	549	124.8
Synthetic Rubber	" " "	117.9	90.7
Chemical fiber	" " "	256.3	104.9
Including Synthetic	" " "	167.5	105.9
Pharmaceuticals	billions of zlotys[a]	16.3	112.7
Cement	millions of tons	18.4	96.2
Wall elements (in terms of full burnt brick)	billions	11	94.7
Furniture	billions of zlotys[a]	41	105.3
Paper	thousands of tons	1,033	102.3
Textiles: cotton and cotton type	millions of meters	882.9	99.7
Woolen and wool type	" " "	121.1	98.5
Silk and silk type	" " "	163.2	99.8
Knitwear	billions of zlotys[a]	23.3	100
Textile-like knitwear	millions of meters	122.6	96.6
Footwear (excluding rubber footwear)	millions of pairs	142.5	101.8
Meat from industrial slaughter houses[b]	thousands of tons	2,457	96
Including poultry	" " "	343.6	107.2
Marine Fish	" " "	627.5	103.7
Consumer Milk	millions of liters	2,678	103.1
Butter	thousands of tons	252.4	100
Sugar	" " "	1,067	67.3

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[a] Comparable prices

[b] After-slaughter weight with fats included

The tasks of the NPSG for 1980 concerning the production sold were 98.6 percent fulfilled which means a shortage of 42.3 billion zlotys compared with 45.4 billion zlotys obtained as excess production in the first half of 1980.

The production plan for most basic articles was not fulfilled. The plan for electric power production was short 3 billion kilowatt hours, the plan for hard coal was short 12 million tons, and for natural steel, 716,000 tons.

The plan was short 651,000 tons of rolled products (excluding semi-finished products), 33,000 tons of electrolytic copper, 5,000 tons of metallurgical aluminum and 1,192 megawatts of rotary machines. The plan was short of 16,600 cars, 3,500 agricultural tractors, 12,800 automatic washing machines; 47,000 tons of synthetic materials; 2.5 million tons of cement, 17,700 tons of paper and 59,000 tons of meat.

Nonfulfillment of the production plan of many articles was caused by the reduced level of production in the second half of 1980. In comparison with the first half of 1980 there was a marked drop in the production of raw material supplies of market articles including hard coal mining, production of natural steel, roller bearings, metal cutting machine tools, agricultural tractors, cars, chemical fibers, cement, paper, footwear, meat from slaughter houses and confectionery products.

The qualitative standard of industrial production deteriorated in 1980 and fewer articles had high quality marks. Market articles had more defects which involved greater costs in warranty repairs.

In many cases the supplies for production were more unfavorable in 1980 than in the previous years. Supplies of materials were irregular and enterprises often had to work without any reserves which resulted in many production stoppages.

The energy situation varied in 1980. During the first three quarters of 1980 it was more favorable than in the same period of 1979. The available power increased by 7 percent compared to 1979 and power cuts were insignificant. In the fourth quarter of 1980 the situation deteriorated considerably with average power cuts of about 1,000 MW, mainly for industry and during certain periods affecting the population. The shortage of electricity was caused by failure to obtain the planned material elements through investments, delayed repairs, difficulties in fuel supplies and lower quality of hard coal.

Supplies of hard coal in 1980 were no higher than the level of supplies in 1979, except for supplies to the electricity generating plants which were 7.3 percent higher. Coal supplies for the population were 9 percent higher than in 1979, but at the cost of exports and of other lines of industry (for example production was stopped in several cement plants).

In 1980 the average employment level in socialized industry amounted to 4.76 million people and was reduced by 0.3 percent in comparison with 1979 as against 0.1 percent provided by the NPSG (national socioeconomic plan).

As the level of production dropped, the value of production sold per capita employed in socialized industry was reduced by 1 percent as against the planned 3.1 percent in the NPSG.

Along with the drop of the production value in industry, the personnel wage fund amounted to 359.4 billion zlotys in 1980 and increased by 44.5 billion zlotys or 14.1 percent in comparison with 1979. The net monthly salary amounted to 6,167 zlotys in socialized industry in 1980 and increased by 774 zlotys or 14.4 percent compared with 1979.

The number of hours worked was reduced by 0.9 percent per capita in the industrial and development group. The number of hours absent (excluding rest leaves) increased by 6.5 percent.

These were hours lost because of sick leave, taking care of the sick, or to stoppages caused by power cuts, delays in the deliveries of energy and raw materials, co-production disruptions and strikes.

The number of the hours lost per capita amounted to 110 hours in the first 6 months of 1980 and to 117 hours in the second half of the year.

At the same time, the number of overtime hours in enterprises in continuous production increased by 14.6 percent as a result of various disruptions in the production processes.

In 1980 the basic value of the production executed by socialized building-assembly enterprises amounted to 313 billion zlotys which means a drop of 9.4 percent compared to 1979. The plan for the basic production was 91.7 percent fulfilled.

The average number of people employed in socialized building-assembly enterprises amounted to 1,027,000 people and was 3.7 percent lower than in 1979 as against 4.7 percent provided by the NPSG. At the same time the personnel wage fund amounted to 77.9 billion zlotys and increased by 8.4 percent. The average net monthly wages amounted to 6,321 zlotys and increased by 12.6 percent.

The value of the total turnover (production plus services) per capita was 3.2 percent lower compared to 1979 as against a 4.0 percent increase provided by the NPSG.

The results of housing construction were particularly unfavorable as much fewer dwellings were handed over for use than in previous years.

The effects of socialized housing construction in 1980 were as follows:

	Dwellings		Living space area	
Specification	Thousands	1979=100	Thousands of square meters	1979=100
Socialized housing total	162.9	81.0	8,638.2	81.8
For non-agricultural community	154.7	82.1	8,147.9	82.9
Including co-operative housing	123.9	84.4	6,543.8	85.3
For agricultural community	8.2	65.6	490.3	67.5

The data provided in the table covers apartment buildings handed over for use from 1 January to 31 December, including 45,000 dwellings (2,373,900 m^2 of living space area) commissioned in January and February 1980 and, according to the decisions of the then authorities, included in the 1979 output.

Only 60.7 percent of the plan was fulfilled in living space area terms, and 59.6 percent, in the number of dwellings.

Agriculture

In 1980 the implementation of tasks in agriculture occurred under difficult weather conditions. Excessive rainfall made it very difficult to carry out field work, and some 1.7 million hectares of arable land were flooded. This resulted in poor crops, especially root crops and hay, and thus impacted unfavorably on total agricultural output.

It is estimated that the value of total agricultural output in 1980 (at fixed prices) decreased by 9.6 percent compared to 1979, with the crop output lower by 15.2 percent, and animal output, by 3.3 percent.

The value of marketable farm output, in fixed prices, dropped by 6.2 percent compared to 1979; the value of crop production decreased by 16.4 percent, and animal livestock production, by 1.3 percent. The considerable decrease in marketable crop production results from primarily less crops of potatoes (by 23.2 million tons compared to 1979) and sugar beets (by 3.8 million tons).

The table of crops and yield in 1980:

	1980					
	Crops			Yield		
		Index			Index	
Specification	Millions of tons	1979= = 100	Average for 1975-79 = 100	Millions of tons	1979= = 100	Average for 1975-79 = 100
4 grains (un-mixed)	16.4	107.2	97.1	23.5	107.3	94.0
wheat	4.2	99.7	78.8	26.0	96.3	87.5
rye	6.6	126.2	102.3	21.6	119.3	99.1
barley	3.4	91.5	94.8	25.8	101.6	92.5
oats	2.2	102.9	87.6	22.6	113.0	99.1
Potatoes	26.4	53.2	56.5	113	55.7	59.5
Sugar Beet	10.4	73.3	67.9	226	72.7	75.8
Oil Plants	0.6	228.0	84.4	17.4	139.2	85.6
Meadow Hay	12.4	84.1	82.8	50.0	84.5	83.8

The table of livestock population in all agriculture in June 1980:

		1980		
Specification	Measure unit	In absolute numbers	1979=100	Plan = = 100
Cattle	millions	12.6	97.0	96.4
Hogs	"	21.3	100.5	100.4
Sheep	"	4.2	99.6	96.7

Unfavorable trends in livestock production were observed most conspicuously in the second half of 1980, when the supply of cows and sows was extremely high to the purchase centers because of fodder shortage; this was subsequently followed by a drop in livestock population.

According to the preliminary results of a livestock census for non-socialized economy held in January 1981, the animal population amounted to 8.2 million, including 4.8 million cows, 13.1 million pigs and 2 million sheep. Compared to the census of January 1980, cattle population decreased by 663,100 (by 7.5 percent) (cows by 200,000 (4 percent), pigs by 2,178,300 (14.3 percent) and sheep by 98,500 (4.6 percent)). The drop in hogs and cattle has been observed throughout all voivodships in Poland.

It is estimated that in 1980 the output of slaughter animals in terms of meat-and-fat mass amounted to 3.2 million tons (2.6 percent less than the 1979 figure), of which the production of meat was 2.7 million tons, variety meats, 0.2 million tons, and fats, 0.3 million tons.

The drop in meat production in 1980 resulted from a 4.5 percent decrease in the purchase of slaughter animals, compared to 1979 (in post-slaughter warm weight terms), while the production of animals for slaughter in individual farms increased from 455,000 tons in 1979 to 496,000 tons in 1980 (by 8.9 percent).

Milk production amounted to 16.2 billion liters and was lower by 1.4 percent than in the previous year, and egg production amounted to 8.9 billion eggs, a rise of 2.1 percent compared to the previous year.

The table illustrates the purchase of animal products:

Specification	Measure units	Purchase: In absolute numbers	Purchase: Index 1979=100	Purchase: *NPSG=[Plan] = 100
Slaughter animals in terms of meat and fat mass[a]	thousands of tons	2,535	95.5	96.8
Including:				
beef	" " "	669	94.9	
pork	" " "	1,448	94.7	
poultry	" " "	342	107.3	
Milk	millions of liters	10,013	100.9	98.2
Eggs	millions	3,590	103.9	99.7

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[*] NPSG--National Socioeconomic Plan

[a] After-slaughter weight

The total value of agricultural products (at current prices) purchased by the state from individual farmers was less by 0.6 percent than in 1979 despite increased agricultural product prices.

The value of goods purchased in the socialized sector increased by 5 percent compared to 1979.

The difficulties in supplying agriculture with the means of production increased in 1980. The value of tractors, trailers, motors and agricultural machines delivered to agriculture amounted to 32.7 billion zlotys and was 2.6 percent lower than that in the previous year. The plan of deliveries was 99.5 percent fulfilled.

The number of tractors throughout agriculture amounted to about 618,000 at the end of 1980 and was 7.8 percent higher than at the end of 1979. At the end of 1980, agricultural circles and associated unions had at their disposal about 115,000 tractors, and individual farmers, about 378,000. In comparison with 1979, the number of tractors at the disposal of agricultural circles and associated unions decreased by 5.8 percent, while that at the disposal of individual farmers increased by 14.5 percent.

Deliveries to agriculture of certified seeds of four grains for the 1980 harvest amounted to 562,700 tons and were 3.1 percent higher than in the preceding year. Supplies of seed potatoes were 1.8 percent higher.

In 1980 agriculture purchased from the State 7,447,100 tons of fodder, i.e. 1,475,200 tons (16.5 percent) less than in the previous year. At the same time, in 1980, in order to encourage agriculture to use its own stock of fodder, individual farmers were paid the equivalent of 3,734.4 million zlotys for the 1,245,000 tons of fodder not collected from the state.

Investment and operating credits for purchases paid in installments and in cash granted to the rural population in 1980 amounted to 44.7 billion zlotys and were 13.6 percent lower than in the preceding year. Less credits were granted because of the shortage of materials and goods available in the market.

Transport and Communication

The socialized transport enterprises carried 1,665 million tons of cargo in 1980, i.e. 0.3 percent less than in 1979. The tasks envisaged in the national socioeconomic plan were fulfilled at a rate of 96.8 percent. Because of the smaller amounts of goods to be transported, due to decreased production and turnover, freight in the second half of 1980 considerably decreased, if compared with previous years.

In 1980 the socialized public transport system conveyed 3,487 million people, i.e. 2.1 percent more than in 1979. The tasks set by the national socioeconomic plan were fulfilled at a rate of 98.3 percent.

In 1980 the Polish State Railways conveyed about 481.8 million tons of freight and more than 1,100.1 million passengers. The freight was 0.4 percent higher than in 1979, and conveyance of people, 0.1 percent.

In 1980 the supplies of standard-guage rolling stock consisted of 144 electric locomotives, 187 diesel locomotives, 75 three-car electric units, 9,636 freight cars and 185 passenger cars. The planned supply of rolling stock was not met.

Electrified railway lines measured 6,868 km on 31 December 1980 and increased by a further 181 km. In 1980 the electrification of the Szczecin-Dabie-Swinoujscie and Warsaw-Terespol lines was completed.

The public and branch motor transport system conveyed about 1,080 million tons in 1980; this was 0.6 percent less than in 1979. Public passenger motor transport conveyed about 2,375 million people and increased by 3.1 percent.

The supply of trucks and truck-tractors to the public and branch motor transport system amounted to 15,300 units and were 1.4 percent lower than those in 1979. The planned deliveries of vehicles were fulfilled at a rate of 98.3 percent.

Of the total number of trucks at the disposal of the public and branch motor transport enterprises, breakdowns due to technical and operating reasons brought 37.2 percent of the vehicles to a halt every day (in 1979, 36.7 percent).

The merchant marine carried 39.7 million tons of cargo. In comparison with 1979, there was a 1.2 percent increase.

On 31 December 1980, the total tonnage of the merchant marine sailing under the Polish flag, amounted to 4,522,600 DWT and was 0.5 percent higher than at the end of 1979.

The commercial sea ports handled 61.5 million tons of cargo, i.e., 10.6 percent less than in 1979 and fulfilled the national socioeconomic plan at a rate of 88.3 percent.

The total value of communications services increased by 4.9 percent in comparison with 1979. The number of telephone subscribers amounted to 1,943,800 on 31 December 1980 and was 92,300 (5 percent) higher than at the end of 1979. Eighty percent of the planned increase of telephone subscribers was fulfilled.

Population and Employment

On 31 December 1980 the population of Poland was 35.7 million, i.e., about 322,000 more than at the end of 1979. In 1980 the number of births, which was the highest in the past decade, amounted to 690,000, i.e., 19.4 births per 1,000 population.

At the same time, the death rate increased from 9.2 per 1,000 in 1979 to 9.7 in 1980. This was due to the increased number of deaths in the 45-55 age group, and also to a slightly lesser extent, to the progressive ageing of society. In view of this, the increase of the population declined from 10.3 percent in 1979 to 9.7 percent in 1980.

The number of people married was less than in 1979 by about 12,000 (from 322,000 to 310,000), i.e., 3.2 percent.

The increment in the working population declined further; this amounted to slightly above 210,000 people (in 1976, 356,000). At the same time the population in the pre-working age group increased by about 100,000, and in the retirement age group, by about 20,000.

Because of the continuing migration of the rural population to towns, the percentage of the urban population grew from 58.2 percent in 1979 to 58.7 percent in 1980.

The average number of people employed in the socialized economy in 1980 was 11,984,000; this was 11,000 people or 0.1 percent less than in 1979. The fall in employment occurred mainly in construction (34,000) and industry (15,000), whereas a rise in employment took place particularly in the health and social welfare service (15,000) and education (13,000).

The employment level envisaged by the yearly plan was exceeded by 28,000, i.e., 0.2 percent.

Incomes Wages and Costs of Living

Living conditions in 1980 were affected by a considerable increase in nominal incomes on the one side and by the strong growth of living costs and a deepening goods deficit on the domestic market, on the other hand.

Nominal personal income of the people, including income from work in socialized and non-socialized economy, from monetary social benefits and other personal income, increased by approximately 11.5 percent compared to last year, and in per capita terms, by approximately 10.5 percent.

Real income, which includes nominal incomes adjusted for the increase of prices on consumer goods and services, rose by approximately 1 percent and in per capita terms slightly surpassed last year's level. Such a considerable increase of real income and drop in output produced the phenomenon of so-called "forced savings," i.e., savings which resulted from the lack of consumer goods and services on the market. As a result, in 1980 the people could not spend a considerable part of their nominal income, and therefore, there was a feeling throughout society that the real income had decreased.

The wage fund in the socialized economy, which includes payments from personnel and non-personnel funds, royalties, agency and commission fund, and the enterprise award fund, amounted to 919.8 billion zlotys in 1980 and was 98.7 billion (12 percent) higher than the 1979 wage fund.

The personnel wage fund in the socialized economy amounted to 844 billion zlotys; thus it increased by 94.8 billion zlotys (12.6 percent) compared to 1979. Of this sum more than 30 billion zlotys went to wage increases, especially in the last quarter of the year.

The average nominal monthly salary of a worker in the socialized economy amounted to 5,755 zlotys in 1980, i.e., an average 655 zlotys increase (12.8 percent) over the 1979 figure. The increase in nominal pay was most conspicuous in the last quarter of 1980. Following the increases, average monthly pay amounted to 6,620 zlotys in the last quarter of 1980 and was approximately 20 percent higher than in the same period of 1979.

The table of net monthly nominal wages in each sector of the economy:

Sectors of Economy	Average wage 1980			Average wage in the 4th quarter of 1980		
	Zlotys	Increase compared to 1979		Zlotys	Increase compared to 4th quarter 1979	
		Zlotys	Percent		Zlotys	Percent
Total covering:	5,755	655	12.8	6,620	1,133	20.6
Industry	6,174	781	14.5	6,898	1,164	20.3
Construction	6,330	652	11.5	7,204	1,263	21.3
Transport and Communications	6,069	772	14.6	6,975	1,232	21.5
Trade	4,667	519	12.5	5,308	952	21.9
Municipal Economy	5,876	789	15.5	6,571	1,254	23.6
Agriculture	5,819	529	10	6,400[a)]	891	16.2
Forestry	4,815	561	13.2	5,450	1,008	22.7
Housing and non-material municipal services	5,109	614	13.7	5,862	1,191	25.5
Science and technological development	6,203	554	9.8	7,111	1,263	21.6
Education	4,865	443	10	5,872	1,245	26.9
Culture and arts	4,912	533	12.2	5,765	1,199	26.3
Health protection and social welfare	4,716	514	12.2	5,731	1,498	35.4
Physical culture, tourism and recreation	4,876	448	10.1	5,530	917	19.9
State and judicial administration	5,642	376	7.1	6,183	537	9.5
Finance and insurance	4,800	460	10.6	5,384	780	16.9

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a) Without payments from the PGR (State farms) bonus fund.

NOTE: In the sectors of agriculture, state and judicial administration, finance and insurance, wage increases were introduced from November of last year; thus their influence upon the average wage in the quarter is lower than in other sectors where wage increases include the period from October 1980.

The average number of pensions and annuities, excluding those paid to farmers in 1980 amounted to 4,094,000, an increase of 215,000 (5.5 percent) compared to 1979. Annuities and pensions totalled 142 billion zlotys in 1980 and was higher by 18 billion zlotys (14.5 percent) than in 1979. This growth pertained mainly to newly-granted benefits, minimum benefits and those granted in previous years and increased under the program of gradual increases which began in 1977. At the same time, many benefits, including some relatively low benefits, have not changed.

The average monthly pension and annuity amounted to 2,774 zlotys, an increase of 249 zlotys (9.9 percent) compared to 1979. Larger increases have been introduced since 1 January 1981.

The average number of private-farmer pensions and annuities amounted to 423,000 in 1980 and rose by 134,000 (46.6 percent) compared to 1979. Total annuities and pensions for farmers amounted to 10 billion zlotys in 1980 and rose by 55.4 percent compared to 1979.

The average current annuity and pensions for farmers amounted to 1,999 zlotys in 1980, a rise of 227 zlotys compared to 1979.

The number of families entitled to benefits was 4.5 million in 1980, a rise of 0.5 percent compared to 1979. The payment of benefits (except for sick benefits covered by the personnel wage fund of individual enterprises) amounted to 30.3 billion zlotys and rose by 11.5 percent compared to 1979.

Considerable growth rate of nominal wages, annuities and pensions was accompanied in 1980 by considerably increased prices on basic articles and services. Price increases resulted in higher costs of living for workers; this growth rate is initially estimated to be 10 percent compared to 1979, including 6 percent recorded in the first 6 months and 13 percent in the following 6 months. With this growth in the costs of living and in nominal wages by approximately 13 percent, the average real wage increased by approximately 3 percent.

Because of the unbalanced market the increased wages were often not covered by goods in high demand and resulted either in a "forced" change in the structure of family expenditures and an increase of spending or increased "forced" savings. Under the circumstances the growth of real wages has hardly been felt by society.

The greatest impact on the growth of the cost of living was made by the increased costs of basic goods, particularly food, the price of which rose approximately 14 percent on average. These increases concerned especially: potatoes (44 percent); vegetables (almost 33 percent); fruit (almost 19 percent); meat and meat products (almost 20 percent) (mainly because of the greater share of commercial-price sales--from 9.5 percent in 1979 to nearly 26 percent in 1980), bakery goods (nearly 13 percent) and butter (more than 9 percent). In the group of nonfood products and services, the prices rose by more than 6 percent on the average.

In 1980 the higher-percentage increase in the cost of living mainly affected families in the low-income group, of which the structure of expenditures is characterized by a large share of food expenditures.

Despite the considerable rise in average salaries, annuities and pensions, a number of families were affec [illegible] the drop of real per capita income. This holds true particularly for workers' families with many children and for a considerable number of annuitant and pensioners, especially those whose benefits were not increased.

The cost of living for peasant and worker-peasant families increased to a lesser degree, because the share of food expenditures in these families only amounts to about 25-28 percent of their total spending for consumption.

At the same time, it is estimated that in 1980, nominal monetary income of individual farmers from agricultural production, was 7 percent higher than in 1979, whereas real income assigned to consumption (excluding subsistence consumption) and production and non-production investments were lower by about 1.5 percent.

The Monetary-Market Situation

The monetary-market situation in 1980 was characterized primarily by high increases in monetary incomes and insufficient increases in the supplies of goods and services that affected the market equilibrium.

On 31 December 1980 the monetary resources of the population amounted to 764.8 billion zlotys, including 265.9 billion zlotys in cash and 498.9 billion zlotys as saving deposits, i.e., 90.2 billion zlotys or 13.4 percent higher than on 31 December 1979. Cash resources increased by 54.9 billion zlotys (26 percent) and savings deposits increased by 35.3 billion zlotys (7.6 percent).

The total value of domestically produced and imported articles supplied to the market in 1980 amounted to 1,410.6 billion zlotys, and calculated in retail prices it was 81.2 billion zlotys (6.1 percent) higher than in 1979. In comparable prices the delivery of goods to supply the market in 1980 was 1.9 percent lower than in 1979.

A considerable deterioration in market supplies took place in the second half of 1980. In the first half of 1980 the deliveries of goods to the market increased by 5.6 percent in comparable prices compared with the first half of 1979, while in the second half of 1980 the level of supplies dropped by 8.7 percent. Compared to the second half of 1979 supplies of textiles were less by 23.4 percent, leather footwear, by 5.9 percent, sewing machines by 19.9 percent, television sets by 22.9 percent, washing powders by 3.6 percent, and toilet soap by 16.6 percent.

The supplies of staple goods were the following in 1980 compared with the 1979:

		1980	
Goods	Unit of Measure	Plan fulfillment	Index 1979=100
Meat, poultry, variety meats, processed meat[a]	thousands of tons	2,028.1	101.1
meat, variety meats, processed meat	" " "	1,696.3	100
poultry, variety meats, processed products	" " "	331.8	107.2
Fish and processed fish[a]	" " "	271.9	107
Fats[a]			
animal fat	" " "	161.6	98
vegetable fat	" " "	196	106
butter	" " "	259	103.7

[Table continued on following page]

Eggs for consumption	millions	2,271.5	109.2
Milk for consumption	million liters	2,388	103.3
Cured cheese	thousands of tons	78.9	109
Cottage cheese	" " "	185.3	116.2
Wheat flour	" " "	551.7	109.5
Groats	" " "	301.3	109.7
Rice	" " "	87.4	104.2
Sugar	" " "	1,058.9	95.3
Alcoholic products neutral and flavored	millions of liters 100°	184.6	105.3
Wine and mead	millions of liters	343	100.3
Chocolate and chocolate products	thousands of tons	110.8	82
Textiles: cotton and cotton-type	millions of meters	194.5	88.7
wool and wool-type	" " "	55.5	94
silk and silk-type	" " "	66.9	100.2
Products:			
knitwear	billions of zlotys b)	40.2	101.5
stockings	" " " b)	9.6	92.8
clothing	" " " b)	60.3	103.4
Footwear: total	millions of pairs	122.5	103
including			
leather footwear	" " "	46	97.7
rubber and textile-rubber	" " "	25.8	111.6
Furniture	billions of zlotys b)	40.1	107.8
Refrigerators and household freezers	thousands	703.8	76.8
Washing machines and electric driers	"	820.2	103.5
including automatic washers	"	354.6	113.2
Sewing machines	"	219.6	87.7
Laundry powder and granules	thousands of tons	180.4	104.3
Toilet and special soap	" " "	59.5	101.2
Radio sets	thousands	2,177	100.1
including sterophonic	"	174.7	103
TV sets	"	949.5	92.4
including color sets	"	218.6	129.9
Combined sets radio-tape recorders	"	347.4	151.5
Tape recorders	"	660.2	90.0
including stereophonic	"	111.7	79.6
Bicycles	"	1,358.8	96.5
Passenger cars	"	160.4	73.6
Agricultural vehicles	"	10.7	109.2
All-purpose tractors	"	37.3	117.7
Passenger car tires	"	1,630	80
Hard coal and briquets	millions of tons	31.9	109.4

[Table continued on following page]

Nitrogen fertilizer[c]	thousands of tons	901.2	91.6
Phosphorous fertilizer[c]	" " "	588	89.9
Potassium fertilizer[c]	" " "	1,249.3	143.2
Cement	" " "	4,836	100.5

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a) Wholesale weight
b) In retail comparable prices (1979)
c) In pure components

Shortages of meat, processed meat and animal fat were particularly severe in 1980.

In 1980 the supplies of meat and processed meat, including poultry, were at a slightly higher level than in 1979 (1.1 percent). While in the first 6 months of 1980 the supplies were 3.5 percent higher, in the second half of 1980 there was a drop in the supplies by 11,600 tons, i.e. 1.1 percent compared to the same period in 1979.

The deliveries[a] of meat and processed meat according to assortments at commercial weight are as follows:

Specification	1980	
	Thousands of tons	Index 1979=100
Meat, poultry, variety meats, processed meat	2,028.1	101.1
Meat, variety meats, processed meat (poultry excluded)	1,696.3	100
Including: raw meat	730.9	102.6
Including: pork	348	91.9
beef	248	111.1
canned meat	84.3	90.2
cured meat (excluding variety meats)	653.7	98.8
cured variety meats	102.7	99.9
Butchered poultry, variety meats and poultry products	331.8	107.2

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a) Supplies of meat, processed meat and other foodstuffs do not include the supplies for hospitals, rest houses, army or other so-called mass consumers.

In the fourth quarter of 1980 imports of meat and processed meat, including poultry, amounted to 50,600 tons less supplies of lard and animal fat in comparison with 1979 resulted in higher demand for butter and vegetable fats. Despite increased deliveries of butter (3.7 percent), oil (17.2 percent) and margarine (3.7 percent), considerable shortages of these articles in the market occurred.

The supplies of fish, fish products, eggs, milk, cheeses, wheat flour, groats, rice, coffee and tea on the market were higher than in 1979.

The value of retail sales of goods by socialized units amounted to 1,307 billion zlotys in 1980; this meant an 8.9 percent increase at current prices in comparison with 1979.

The retail sale of goods per comparable prices was 0.6 percent higher in comparison with 1979, and sales in the first 6 months of 1980 increased by 4.7 percent, and there was a 3.1 percent drop in the second half of 1980. The 0.6 percent increase in retail sales with a parallel drop in the supplies of market goods by 1.9 percent (at comparable prices) was achieved at the cost of trade stocks, especially foodstuffs.

The growth rate in the retail sale of the basic groups of articles in 1980 is the following at comparable prices:

Specification	1st 6 months	2nd 6 months	1980
	Same period 1979=100		
Food	102.8	95.7	99.1
Alcoholic beverages	108.5	97.7	102.8
Goods other than food:			
consumer	103.9	98.2	101.1
non-consumer	107.6	94.1	100.7

In the fourth quarter of 1980 the market was hit by panic buying of the majority of basic foodstuffs.

At the end of 1980 the value of stocks of marketable goods amounted to 262.9 billion zlotys and was by 10.5 billion zlotys less (3.8 percent) than at the end of 1979 (at retail current prices). The value of stocks of foodstuffs amounted to 34.1 billion zlotys and marked a 14.3 billion zloty (30 percent) drop, while the value of the stocks of non-food products increased by 3.8 billion zlotys (1.7 percent) and amounted to 228.8 billion zlotys at the end of 1980.

The sale of services to the people by socialized enterprises amounted to 192.5 billion zlotys (at current prices) in 1980, and 101.6 percent of the plan was fulfilled in this respect.

In comparison with 1979, the sale of services to people increased by 8.1 percent at current prices, whereas this increase was considerably lower and amounted to 2.8 percent, after elimination of the effects of price changes.

Social and Cultural Services

Because of delays and negligence in this area, there was no improvement in social and cultural services in 1980, despite increased expenditures for this end in the state budget.

The state budget's current expenditures for social and cultural services in 1980:

Itemization	1980 Millions of zlotys	1979=100
Total	188,045	112.7
Education	80,065	111.8
Culture and Arts	12,405	103.9
Health Protection and Social Welfare	91,561	115.2
Physical Culture, Sports Tourism and Recreation	4,014	105.1

Demographical changes taking place in Poland affected the situation in education.

The changes in the age grouping of children and youth (the population has decreased in previous years) resulted in a smaller number of primary school graduates; this in turn caused a drop in the number of high school students.

The number of kindergarten places increased by 26,000 (3.8 percent) in comparison with 1979. A total of 1,222,900 children took advantage of pre-school facilities; of this number, 873,100 children attended kindergartens. In comparison with 1979 the number of children taking advantage of these facilities increased by 3.6 percent. In 1980 some 49 percent of pre-school age children (3-6 years) were included in pre-school education. Some 99 percent of six-year-olds attended kindergartens. The increased number of children in kindergartens resulted in the worsening of working conditions there.

Seven million persons (19.5 percent of the Polish population) attended schools at all levels in the current school year. Of these 4,259,800 children attend primary schools (1 percent more than last year), 415,000 people are high school students (7.8 percent less than in 1979), 1,851,100 persons attended vocational schools (4.7 percent less) and 451,900 persons are university students (3.7 percent less).

After leaving primary schools, 475,000 children went to high schools (i.e., 97.6 percent of all primary school graduates) instead of the 477,500 (98 percent) pupils envisaged in the national socioeconomic plan.

The tendency of sending a majority of the primary-school graduates to vocational schools continues. A total of 88,300 graduates of 1979 was accepted at the general high schools, i.e., 500 less than the previous year; and approximately 387,000 primary-school graduates were accepted at vocational schools.

The number of university freshmen is 89,400 and is 3 percent less than in 1979. A total of 60,400 freshmen attend regular daily courses (2.6 percent less than in 1979).

In 1980, 519,100 pupils graduated from primary schools, 121,400 students graduated from general high schools, and 548,800 persons graduated from vocational schools. This figure includes 217,800 graduates from secondary schools, and 84,000 graduates (at last year's level) from higher schools.

Monetary scholarships were distributed among 131,500 regular course students, i.e., some 46 percent of the total university students (in 1979 this figure was 38.8 percent).

In 1980 a total of 2,761,200 children and young people availed themselves of organized holidays away from home. This figure was 3.7 percent lower than in 1979.

At the end of December 1980, the number of registered physicians in Poland was 67,600 (900 more than in 1979) while the number of dentists decreased by 58 persons and amounted to 17,900 people at the end of last December. There were 18.9 physicians and 5 dentists per 10,000 people in 1980 (in 1979 the respective figures were 18.8 and 5.1).

By the end of 1980, the number of hospital beds (excluding those in psychiatric hospitals) amounted to 200,500, i.e., in relation to 1979, an increase of 1,300. The number of hospital beds per 10,000 people amounted to 56.1, while in 1979 this was 56.3.

In the period discussed, 14 new health centers were opened in the countryside, their number now amounts to 3,219.

In 1980, as in the last 2 years, acute shortages of pharmaceuticals occurred. This applied particularly to antibiotics, medicines for the treatment of circulatory and alimentary ailments, vitamins, disposable syringes, bandages and other dressing materials.

The number of nursery accommodations was 103,400 by the end of 1980, i.e., 2,800 more than at the end of 1979. A total of 108,800 babies attended nurseries, i.e., 5.5 percent of the total number of babies between 0 and 2 years of age. The number of accommodations in social welfare houses was 60,500, i.e., 9,000 more than at the end of 1979.

Infant mortality decreased. In 1980 the death rate per 1,000 live births was 20.9, while in 1979, this was 21.3.

In 1980, the total publication of books and brochures amounted to 156 million copies and was 2.2 percent higher than in the previous year. Publishing production in 1980 was 9.7 percent lower than that envisaged in the national socioeconomic plan. The total publication of newspapers amounted to 2,732 million copies and was on the same level as in 1979. It met the planned target. The total publication of periodicals amounted to 803 million copies and was 2.4 percent lower than provided for in the plan.

The number of titles of books and brochures published in 1980 was also lower than in 1979. Almost the entire drop occurred in publishing houses subordinated to the Ministry of Culture and Arts. They published in 1980, 5,000 titles compared to 6,100 in 1979.

The number of spectators at theaters and musical institutions was 17.5 million persons in 1980 in comparison to 17.8 million in 1979.

The number of cinema seats amounted to 506,400 and in principle was equal to that in 1979. Whereas the number of cinema-goers decreased substantially (by about 7.4 percent) and amounted to about 100 million.

In 1930, a further growth in the number of radio and TV subscribers occurred; this amounted to respectively 8,635,000, i.e., 1 percent more than in 1979, and 7,960,000, i.e., 3.3 percent more than in 1979.

In 1980, about 4 million people took advantage of subsidized holidays, i.e., 9 percent less than in 1979. The decreasing tendency in this respect has been visible for 3 years; in 1977 4.7 million workers availed themselves of this type of holiday.

In 1980, 6.9 million Polish citizens went abroad, i.e., 27.3 percent less than in 1979. Of this number, 6.2 million went to socialist countries, i.e., 30.3 percent less than in 1979.

The total number of foreign visitors amounted to 7.1 million, i.e., 22.5 percent less than in 1979; of these, 6.2 million were visitors from socialist countries, i.e., 23.5 percent less than in 1979.

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EMPLOYMENT SITUATION IN 1980 REVIEWED

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 23 Feb 81 p 37

[Text] After the usual drop in the summertime, the number of persons seeking employment again passed 800,000 in November of last year (in Feburary and March it was at approximately that same level). Since the growth rate of unemployment throughout the entire second half of 1980 was higher than the growth rate of employment, a change in the rising tendency should not be expected this time. This fact is confirmed by predictions that this year employment will rise at a rate of only 1.7 percent, which represents an addition of about 96,000 to the work force (the growth rate was about 3 percent between 1979 and 1980).

According to figures of the Federal Bureau for Employment Security, last October job vacancies were registered for 83,757 workers. About 40 percent of the vacancies registered pertained to industry and mining, which are followed by construction and education and culture, with 9,000 and 8,000 job vacancies, respectively. That same month 52,481 persons were hired, approximately 40 percent of them women. The distribution of those hired among sectors is almost identical to the distribution of job vacancies (industry 20,620, construction 6,223, education and culture 4,293).

In October 1980 23,514 terminations of employment were recorded, which is slightly more than the average for the first 9 months. Confining our attention only to the 10-month average, the total number of terminations of employment last year would be about 230,000, but because there were always more terminations in the last months of the year this number will be somewhat higher.

By comparison with the previous year there has been no essential change in the distribution of persons seeking employment with respect to skills and qualifications. Nearly 45 percent of them are unskilled workers, about 25 percent have secondary education and slightly more than 15 percent are highly skilled and skilled workers. In October 18,023 people with senior postsecondary education and 13,395 persons with junior postsecondary education were seeking jobs. More than 550,000 persons, or about 70 percent of the total, were seeking employment for the first time.

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10 April 1980